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MOSSSEL BAY MUNICIPALITY

2012 / 2013 MTREF Draft Annual Budget



Explore Endless Horizons

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1. INTRODUCTION

1.1. Mossel Bay Municipality Overview

VISION

We strive to be a trend-setting, dynamic Municipality delivering quality services responsive to the demands and challenges of the community and our constitutional mandate, in which all stakeholders can participate in harmony and dignity.

MISSION

Mossel Bay Municipality's mission for the past present and future, is:

- * To render cost-effective and sustainable services to the entire community with diligence and empathy,
- * To create mutual trust and understanding between the municipality and the community,
- * To have a motivated and representative municipal workforce with high ethical standards, which is empowered to render optimal services to the community, and
- * To apply good and transparent corporate governance in order to promote community prosperity.

VALUES

The community is our inspiration and our workforce is our strength in the quest for community development and service delivery. We therefore value:

- * Work pride,
- * Service excellence,
- * Integrity,
- * Loyalty, and
- * Accountability.



1.2. Municipal Budget

DEFINITION OF A MUNICIPAL BUDGET

A municipal budget is generally a projection of future revenues and expenditure. A budget is used to control financial transactions and should also be used as a management and planning tool.

It is also the tool for implementing the service delivery objectives of the Municipality as set out in their Integrated Development Plan (IDP).



A municipal budget also provides for greater transparency, accountability, flexibility, and predictability within the municipality.

A Municipal budget is divided into a Capital and an Operating Budget:

- a) A capital budget is an estimate of the expenses that will be incurred during that financial year to create future benefits, and the sources of finance from which these expenses will be funded. The municipality spends money either to buy fixed assets or to add to the value of an existing fixed asset with a useful life that extends beyond one year. Fixed assets include, inter alia, land and buildings, motor vehicles, furniture, computers, office equipment and machinery.

Example: Land and buildings, pump stations, water purification plants, furniture, etc.

- b) An operating budget is an estimate of the operating revenues which will accrue to the municipality through its normal service delivery and the expenditure that will be incurred through the day to day operations of the municipality over the financial year.

Example: The purchase of a photocopier is a capital expenditure and is budgeted for under the capital budget, but the maintenance and other expenses such as the paper and toner for the photocopier is budgeted for under the operating budget.

OBJECTIVE OF A MUNICIPAL BUDGET

The main objective of a municipal budget is to sensibly allocate realistically expected resources to the municipality's service delivery goals or performance objectives identified as priorities in the approved IDP.

The municipal budget is a tool through which the total level of revenue and expenditure are adequately controlled, public resources are appropriately allocated among sectors and programs, and ensure that departments operate as efficiently as possible within the municipality.

WHERE DOES THE MUNICIPALITY'S REVENUE ORIGINATE FROM?

The Municipality collects revenue from various sources. To achieve sustainable service delivery, we have to ensure sustainable income streams to our services. Property rates are an important source of income, accounting for approximately 13% of the Municipality's revenue.

Other sources include tariffs charged for water and sanitation, electricity and refuse removal management. Mossel bay municipality also has a steady investment portfolio that provides for investment income by means of interest raised. Mossel Bay Municipality also receives external funds from National and Provincial Departments by means of conditional (e.g. Municipal Infrastructure Grant) and unconditional grants (e.g. Equitable Share of National funds).

WHAT DOES THE MUNICIPALITY SPEND ITS REVENUE ON?

The Municipality spends its revenue on the following services:

- Water, electricity, sanitation and refuse removal
- Streets and Storm Water
- Repairs and maintenance to infrastructure
- Youth Development
- Relief for the poor
- Fire services
- Parks
- Libraries
- Sport and recreation facilities
- Upgrading and maintenance of beaches

HOW CAN RESIDENTS BE INVOLVED IN THE BUDGET PROCESS?

The Municipality encourages public participation in the budgetary process. A draft budget can be viewed at the Municipal offices, the official Municipal website as well as all public libraries and is open to comment after it is tabled to Council in March each year.

Once the deadline for comments has been met, amendments are considered and the final budget is approved by Council before the end of May each year. New rates and tariffs are implemented at the start of each new financial year, being 1 July.

WHAT STATE ARE MOSSEL BAY MUNICIPALITY'S FINANCES IN?

Mossel Bay's finances are well managed as it received an unqualified audit report for the fourth consecutive financial year.



2. MAYORAL SPEECH

Mr Speaker, Aldermen, Councillors, Municipal Manager and Directors, the media, members of the public and staff members.

It is my privilege to table Council's Integrated Development Plan for the period 2012/2013 to 2016/2017 as well as the Draft Annual Budget, together with related documents, for the 2012/2013 financial year and the two outer years as prescribed in terms of Section 16 of the Municipal Finance Management Act.

This is of course the first Budget of the present Council's term of office and therefore the first Budget that this Council will be measured by.



I can also say without fear of contradiction that budgeting in the present economic and political climate does not get any easier. In fact, it gets harder as the world economy as well as the South African economy continues to struggle. Demands and expectations about service delivery remain high nevertheless, and are often fuelled by unscrupulous community leaders and their lackeys to further their own personal political ends.

The annual Eskom price increases continue to be way above the inflation rate and contribute to the ever increasing burden on our ratepayers who are confronted by rising costs on many fronts. It also impacts negatively on our ability to keep rates and tariff increases at the levels that we would like to keep them, and still being able to maintain Mossel Bay's hard-won reputation as one of South Africa's leading municipalities.

The debilitating drought from November 2008 to October 2010 that forced the Municipality to embark on several emergency water supply projects has also influenced the 2012/2013 budget as the Municipality has to service the loan that was taken up to partially finance the seawater desalination plant. The cost of operating this plant, albeit at a reduced production rate, is an additional operating cost that we did not have to budget for until the 2011/2012 financial year.

As with the budget for the present financial year our focus in compiling this budget has once again been, as it should be, on good service delivery. In this regard we have been guided by our communities, through the IDP process, as well as our able management team, the latter to guide us on the requirements to maintain and expand our infrastructure to ensure that Mossel Bay is also able to cope with future development.

The needs of the community were prioritised to form the basis for the budget and to match income and resources with the needs of the community to the best of our ability. We have attempted to spread the budget as equitably as possible across the various wards, bearing in mind, however, that a simple comparison cannot be made as certain facilities such as the water and sewage treatment plants, pump stations and electrical sub-stations service many other wards and not just those in which they are located.

Expenditure of course has to match revenue and it was not possible to include all requests or wishes that were tabled during the community participation processes. It is therefore inevitable that there will be some disappointments.

As always, there were many requests and wishes that fell outside the Municipality's Constitutional mandate. In this regard I specifically want to address the issue of what is now called human settlement.

Many people look at municipalities for addressing the housing shortage and are clearly not aware that human settlement is a Constitutional mandate of the National Government.

Mossel Bay's present housing waiting list stands at more than 13 000 families but at the current rate of Government funding, together with the anticipated future growth in the waiting list as people continue to flock to the area, we cannot hope to eradicate this backlog in the next ten to fifteen years unless funding levels increase radically.

Our allocation for top structures for the 2012/2013 financial year is a mere R18,3 million, which allows for 315 top structures at R58 000 each, the new Government allocation per unit with effect from 1 April 2012.

Yet, it is estimated that the misspending by Government amounts to R3,8 billion rand, which includes R196,9 million on tickets to sports events, R166,9 million on unnecessary property rentals, renovations and hotel stays, R2,9 billion on Cuban debt-forgiveness and money to Zimbabwe and R351 million on wasteful expenditure appearing in financial audits.

This could have paid for 70 903 RDP houses at R54 000 each or 60 013 houses at the increased Government subsidy of R58 000 with effect from 1 April 2012.

The sad part is that there are community leaders in Mossel Bay who know this but still try to exploit the situation by trying to blame the Municipality for the housing shortages.

However, Council's objective with the Budget has not changed since I first took office as Executive Mayor in 2006 and I am once again repeating them for your convenience. They are:

- Ensure that every citizen of Mossel Bay shares in the services that this Municipality provides.
- Provide cost-effective and efficient services to the community as a whole.
- Improve the standard of services.
- Provide for the maintenance of existing infrastructure.
- Provide and plan for new infrastructure and new bulk services due to the growing needs of the town. In this regard, we wish to build capacity for long-term growth.
- Protect the poor by subsidising various rates and tariffs from the equitable share paid by the State as well as from rate payers funds, and to
- Maintain financial discipline, thereby ensuring that the finances of this Council are kept on a sound basis.

There is not enough time on this occasion to provide you with every detail of the 2012/2013 Budget, but I would like to highlight the following:

- The total budget for 2012/2013 amounts to R811,6 million and consists of a Capital Budget of R121,5 million and an Operational Budget of R690,1 million. The Capital Budget amounts to 15 per cent of the total budget and the Operational Budget to 85 per cent. The Operational Budget, however, includes departmental and non-cash transactions to the value of R92,7 million. If these are subtracted the Operational Cash Budget for 2012/2013 amounts to R597,4 million.

The total budget represents a decrease of 1,04 per cent compared to the revised budget of R820 167 996 for the 2011/2012 financial year.

The major allocations in the Capital Budget are as follows:

- Streets and Stormwater : R29,7 million or 24,2 per cent
- Development and Planning : R22,6 million or 18,4 per cent
- Electricity Services : R20,9 million or 17,1 per cent
- Sewerage Services : R13,4 million or 10,9 per cent
- Water Services : R8,6 million or 7 per cent
- Corporate Services : R 4 million or 3,3 per cent

The aforementioned Development and Planning capital budget includes R22,5 million for infrastructure for the Asazani/Izinyoka housing project, while the Corporate Services budget includes R4 million towards the Thusong multi-purpose centre that will be built in Asla Park. The Community Services budget includes R6 million for a new library for KwaNonqaba.

There are too many other capital expenditure projects to mention but I would like to draw your attention to the following

- Tarring of gravel roads in all areas : R13 million.
- Upgrading of the Point area : R3 million.
- Minibus Taxi Facilities in Adriaans Avenue : R500 000
- Tarring of Carelse, Makhabule and Dyusha Steets : R1,4 million
- New parking area at First Beach, Dana Bay : R1,4 million
- Rebuilding of Kusweg, Reebok/Tergniet : R1,4 million
- Construction of Sewer Pump Station and Pump Line, Bakke Street, D'Almeida : R2,5 million.
- New Sewer Lines, D'Almeida : R1,1 million
- Sludge Drying Beds at Regional Sewerage Works : R1,3 million
- Bulk Water Pipeline and Pumpstation between Aalwyndal and Bartelsfontein Reservoir : R3.5 million
- Replacement of water network lines, all areas : R1 million
- New 66V transmission line between Ockert Bothma substation and Extension 13 : R4 million.
- New substation at Little Brak River Sewerage Farm : R7 million
- Rehabilitation of D'Almeida Stadium : R1,95 million.

With regard to the Capital Replacement Reserve, I would like to point out that the Reserve is likely to be totally depleted in the 2013/2014 financial year. This will result in a situation whereby all future capital projects will have to be financed by way of external loans.

The Municipality again has to rely heavily on service charges to balance its Operational Revenue Budget. These are:

• Electricity Charges	R250,6 million.
• Water Charges	R67,5 million.
• Sewerage Charges	R33,7 million.
• Refuse Removal Charges	R27 million.
• Other	R28,8 million.

The Municipality will receive grants of R65,2 million in total from the National Government and R47,8 million in total from the Western Cape provincial government towards its Capital as well as Operational Budgets for the 2012/2013 financial year.

The national grants include the Integrated National Electrification Programme Grant of R1 million, Municipal Infrastructural Grants of R17,2 million, an Expanded Public Works Integrated Grant of R2,5 million, Equitable Share Indigent Subsidies in the amount of R42,5 million, Municipal Systems Improvement Grant of R800 000 and Finance Management Grant of R1,25 million.

The provincial funding will include Integrated Housing and Human Settlement and Development Grants of R22,5 million towards the building of infrastructure in the Capital Budget and R18,3 million towards the building of top structures in the Operational Budget. It will also include smaller grants such as R50 000 towards the maintenance of proclaimed roads, R927 000 towards library services, R6 million towards the Construction of the new library in KwaNonqaba and a community development workers operations support grant of R108 000.

Details of the Operational Budget are provided in the budget document. Councillors are urged to peruse the document and consult with Directors if any clarification is required.

The plight of the poor has once again been considered and it is proposed that households classified as indigent as well as households classified as poor both receive a monthly subsidy of R360,27 including VAT, on their household accounts, subject to certain conditions with regard to monthly income and water and electricity consumption.

This compares with R345,02, plus VAT, for indigent households and R260, plus VAT, for poor households in the 2011/2012 financial year. In this regard I would like to point out that this amounts to an increase of approximately 38,5% in the poor household subsidy.

These households will continue to receive 6 kilolitres of water free and pay no basic charges on water. Indigent households will continue to receive 50 kWh of electricity free per month and poor households 20 kWh per month. They also do not pay for sewerage and refuse services and do not pay property rates on the first R50 000 valuation of their properties.

It should be noted that, while the services of indigent households are subsidised from the equitable share, poor households are subsidised from Council's internal income sources at a cost of R4,1 million for the 2013/2014 financial year. I have reason to believe that Mossel Bay is one of a small minority of municipalities to subsidise services for the poor from own resources.

The total monthly income limit of a husband and wife at which pensioners will become eligible for a discount of fifty per cent on their property rates will be increased from R7 000 per month to R9 000 per month. Pensioners with a total monthly income exceeding R9 000 but not more than R12 000 per month will qualify for a discount of thirty per cent. The upper limit in the latter category has been increased from R10 000 per month.

Pensioners will also for the first time receive a discount in respect of sewerage fees. The discount will amount to 40 per cent for pensioners with a total household income not exceeding R9 000 per month and 30 per cent when their income is more than R9 000 but does not exceed R12 000.

Before submitting the proposed tariffs for the 2012/2013 financial year it is necessary that I mention that in revising the rates, tariffs and other charges for the 2012/2013 Budget and the MTREF (medium term revenue and expenditure framework), labour costs, i.e. wages as agreed with the unions at national level, other input costs of services provided by the Municipality, increases in external costs such as bulk services costs, the maintenance of infrastructure, the need to ensure financial sustainability, local economic conditions and the affordability of services and the Municipality's indigent policy, were some of the factors that influenced the increases proposed to Council.

One of the most important factors which influenced the budget and the tariffs, is the long-term water situation in Mossel Bay. As mentioned, a seawater desalination plant as well as a waste water reclamation plant was built to ensure long-term water security for Mossel Bay. These plants are normally operated at a very high cost which, together with the present low water consumption patterns, has a negative impact on the water tariffs of Council.

The proposed list of tariffs is attached as Annexure A to the budget document and Councillors are urged to peruse this document carefully.

However, I would like to highlight the following:

- * The proposed increase in for electricity for 2012/2013 is 11,03 per cent, which is less than the Eskom tariff increase of 13,5 per cent. It is furthermore recommended that the electricity availability charges in respect of vacant erven are increased by 10 per cent.
 - The basic charge in respect of the two-part electricity tariff for domestic consumers is not increased for 2012/2013.
 - For the first time the Municipality is going to implement an inclining block tariff with regard to the unit charges for electricity sold to domestic consumers. The first 20 units, and 50 units in respect of indigent households, will still be free of charge but thereafter the unit price increases incrementally in blocks based on monthly consumption. The inclining block tariff is prescribed by the National Electricity Regulator of South Africa, or NERSA, in the tariff guidelines which they are providing.
 - All domestic consumers who use an average of more than 400 kilowatt hours (kWh) per month based on the average of the past four months, will be placed on the one-part tariff. It is the consumers using less than 400 kWh per month (based on the average of the past 4 months) which will be placed on the two-part tariff. This, however, excludes indigent and poor household consumers as well as permanent residents for at least 9 months. The permanent residents will have to submit proof of their permanent residency in the form of a sworn affidavit.

- As far as commercial tariffs (single phase) are concerned the consumers using less than 1000 kWh per month will now for the first time also pay a fixed monthly charge with a reduced tariff for unit charges compared to the commercial consumers using more than 1000 kWh per month (based on an average consumption over the past 6 months) who will pay a much higher unit charge but with no basic charge.
- The same conditions will apply for three-phased commercial users, except that the limit is increased to 2000 kWh per month.
- Council's gross profit from electricity is estimated to be R93,3 million for the 2012/2013 financial year, or 33,9 per cent of gross revenue. The estimate gross profit for the new financial year is therefore less than the estimate gross profit of R93 million for the 2011/2012 financial year.

The Municipality's recommended electricity tariffs are still subject to approval by NERSA.

- A sliding scale will again be applicable to water tariffs, with water becoming progressively more expensive the more water is consumed. An average increase of 8 per cent in basic charges and usage tariffs is proposed.

At the bottom end of the scale, in the case of household consumption, an increase from R5, plus VAT, to R5,40, plus VAT, per kilolitre for consumption of up to 20 kilolitres per month, is proposed. At the upper end of the scale, for consumption of 80 kilolitres or more per month, it is proposed that the tariff is increased from R24, plus VAT, to R25,92, plus VAT, per kilolitre per month. The proposed increase on the basic charges is 8 per cent to R113,73, plus VAT, per month.

All household consumers will, however, continue to receive 6 kilolitres of free water per month unless the level of the Wolwedans Dam drops to less than 20 per cent when the free allocation will fall away automatically.

A net profit of R2,3 million on water sales is envisaged for the 2012/2013 financial year. The water account is a trading account and it is supposed to run at a profit. However, the water consumption trends are still very volatile and it was therefore very difficult to project future water consumption patterns. There is therefore a risk as far as income for the 2012/2013 budget for this service is concerned.

- Refuse removal is categorised as an economic service, which means that it is supposed to pay for itself from service fees or even making a small profit. It is recommended that the refuse removal tariffs are increased by 8 per cent. This increase will generate a net surplus of R7 million for the 2012/2013 financial year, compared to the estimated surplus of R7,4 million for 2012/2013.
- The sewerage service is classified as an economic service. This service must therefore be financed fully through its own tariffs and is supposed to break even or even show a profit. No tariff increase was implemented on sewerage for the past few years and an increase is not recommended for the 2012/2013 financial year either.
- Property rates are levied in terms of the Property Rates Act and the income generated from this source is used to balance the budget. Property rates do not buy any service from Council as the case is with other service tariffs.

An increase of 8 per cent, based on the new general valuations that will be implemented with effect from 1 July 2012, is recommended.

The same exemption as for 2012/21013, namely the first R50 000 of the value of a residential property is also recommended for the new financial year.

However, the recommended increases in tariffs do not generate enough income to balance this budget. It will therefore be necessary to supplement the budget with an amount of R3,5 million from the accumulated surplus.

It is very difficult to determine what the average effect of the increases on households will be, mainly due to the fluctuations in the valuations of properties but a calculation was done to determine the effect on an average household in the mid- to high-income groups with an average monthly water consumption of 15 kilolitres and electricity consumption of 600 units per month. Certain assumptions were made as far as the valuation of the property is concerned, which will of course differ from area to area.

It was estimated that the effect of the proposed tariff increases on a normal household will be 9,93 per cent per annum. However, this includes the electricity increase as determined by NERSA. If electricity is excluded from this calculation, the effect in respect of property rates and the tariff increases in respect of those services that Council controls, namely water, sewerage and refuse removal, will be 6,4 per cent per annum. The cost of electricity therefore has a significant impact on our ratepayers.

I would like to conclude by thanking Councillors, Management and all other officials who were involved in the IDP and budget process thus far. I know that a lot of hard work, particularly by the Director of Financial Services and his team went into it and I want to assure all of you of my utmost appreciation. They have also been under instruction and pressure to sharpen their pencils more than ever before.

This budget is of course not the final product. There are some more processes to follow and it is possible that some adjustments may have to be made to arrive at a final budget for tabling in Council. I am, however, confident that the final budget and tariff list will not be very different from the draft tabled today and that we will be able to enter the 2012/2013 financial year with a budget that will enable continued good service delivery.

Thank you.

ALDERLADY M FERREIRA
EXECUTIVE MAYOR



3. BUDGET RELATED RESOLUTIONS

The MFMA stipulates that the Mayor must table the annual budget at a council meeting at least 90 days before the start of the budget year and the Mayor must take all reasonable steps to ensure that the municipality approves its annual budget before the start of the budget year. For this reason Council may at the time of tabling the budget simply note the draft resolutions.

The following is the draft resolutions which Council needs to take with the approval of the 2012/13 MTREF Budget by the end of May 2012:

1. Council takes note of the Annual Budget of the Municipality for the financial year 2012/13 and indicative for the two projected outer years, 2013/14 and 2014/15, and the multi-year and single year capital appropriations as set out in the following schedules:
 - 1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) reflected in section 6.2,
 - 1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as reflected in section 6.3,
 - 1.3. Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source as reflected in section 6.5,
 - 1.4. Capital detailed budget reflected in Annexure C.
2. Council takes note of the property rates reflected in the 2012/13 Tariff list (Annexure A) and any other municipal tax reflected in the 2012/13 Tariff list are imposed for the budget year 2012/13.
3. Council takes note of the tariffs and charges, subsidies and discounts as reflected in the 2012/13 Tariff list (Annexure A) for the budget year 2012/13.
4. Council takes note of the measurable performance objectives for revenue from each source and for each vote reflected in section 7.13 of this document for the budget year 2012/13.
5. Council takes note of the amended Integrated Development Plan (IDP).
6. Council takes note of the amended budget related policies reflected in Annexure B for the budget year 2012/13.
7. Council takes note of the filling of the vacant and new posts as identified by the Executive Management and as shown in section 7.8 of this document subject to the public participation process.

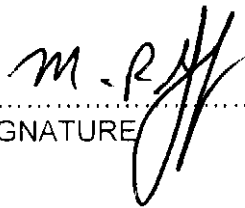
4. MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, Dr M.R. Gratz, municipal manager of Mossel Bay Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

DR MR GRATZ

MUNICIPAL MANAGER OF MOSSEL BAY MUNICIPALITY (WC043)

SIGNATURE



5. EXECUTIVE SUMMARY

The main objective of a municipal budget is to allocate realistically expected resources to the service delivery goals or performance objectives identified as priorities in the approved Integrated Development Plan.

The budget was made possible through continuous consultation with the local community, the relevant government departments and the internal departments of the Municipality to ensure that the priorities are properly aligned and addressed.

The Medium Term Budget Policy Statement 2011 notes that in recent months the domestic economy has lost momentum as a result of the disruption to world economic activity following the Japanese Tsunami, domestic strike activity and moderating household consumption. Real GDP is now expected to grow by 3.1 % in 2011.

When framing the budget, this had a direct impact on the budget as the trends in income growth statistics are still very low, indigent and poor households are growing and property markets not re-acting to the low interest rates.

Consequently, municipal revenues and cash flows are expected to remain under pressure in 2012/13 and municipalities are encouraged by National Treasury to adopt a conservative approach when projecting their expected revenues and cash receipts.

Creating decent employment opportunities remains a national priority.

Additional allocations to local government of R5 billion over the 2012/13 MTEF, of which R2.2 billion is added to the local government equitable share and R2.8 billion to local government conditional grants. Most of these funds will however only be made available in 2013/14 and 2014/15.

National Treasury requires municipalities to continue to explore appropriate ways of structuring the tariffs for utility services to encourage more efficient use of these services and to generate resources required for maintenance, renewal and expansion of infrastructure. They also encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect appropriate balance between the interest of poor households, other customers and ensuring the financial sustainability of the municipality. For this reason municipalities must justify all increases in excess of the 6 per cent upper boundary of the South African Bank's inflation target.

National Treasury advises that priority ought to be given to:

- * Ensuring that drinking water and waste water management meets the required quality standards at all times,
- * Protecting the poor,
- * Supporting meaningful Local economic development initiatives that foster micro and small business opportunities and job creation,
- * Securing the health of their asset base by increasing spending on repairs and maintenance,
- * Expediting spending on capital projects that are funded by conditional grants.

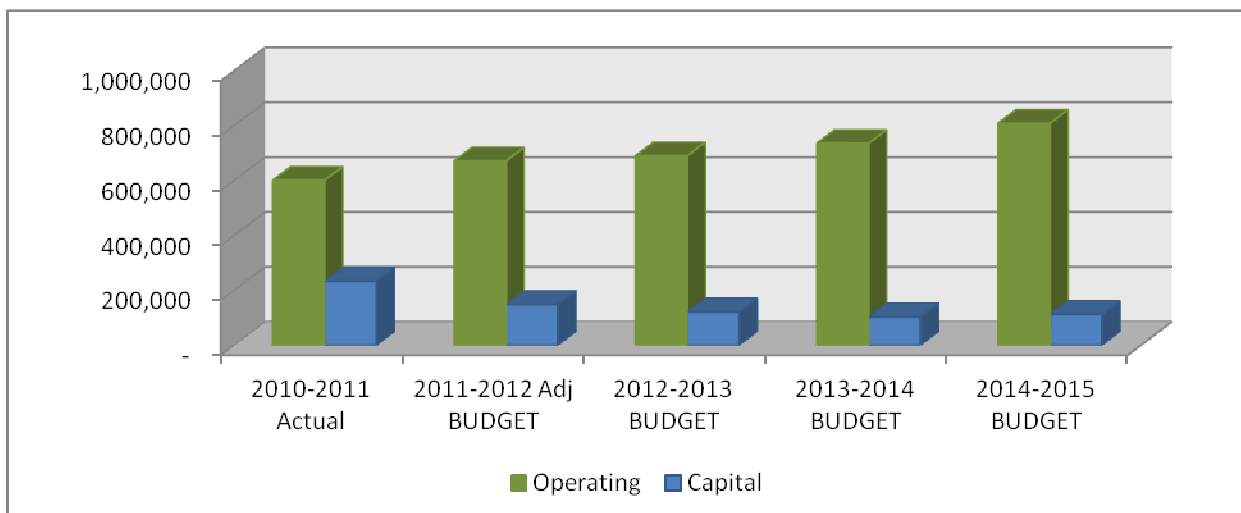
National Treasury also states that municipalities should control unnecessary spending on nice-to-have items and non-essential activities. Some examples of non-priority expenditure is,

- * excessive sponsorships, e.g. of music festivals and sporting events
- * public relations projects and activities not centred on actual service delivery (e.g. celebrations; gala dinners)
- * LED projects that serve the narrow interests of only a small number of beneficiaries
- * excessive catering for meetings and other events
- * arranging workshops and events at expensive private venues (as opposed to using the municipality's own venues)
- * excessive printing costs instead of maximising the use of the municipality's website
- * excessive luxurious office accommodation and office furnishings
- * foreign travel by mayors, councillors and officials, particularly 'study tours'
- * excessive councillor and staff perks such as luxurious mayoral cars and houses, notebooks, IPADS and cell-phone allowances; travel and subsistence allowances
- * excessive staff in the office of the mayor – particularly the appointment of political 'advisors' and 'spokespersons'
- * all donations to individuals that are not made in terms of the municipality's indigent policy or a bursary scheme for instance donations to cover funeral costs
- * costs associated with long-standing staff suspensions and the legal costs associated with not following due process when suspending or dismissing staff, as well as payment of severance packages or 'golden handshakes'
- * the use of consultants to perform routine management tasks, and the payment of excessive fees to consultants

FINANCIAL SUMMARY ON 2012/13 MTREF BUDGET

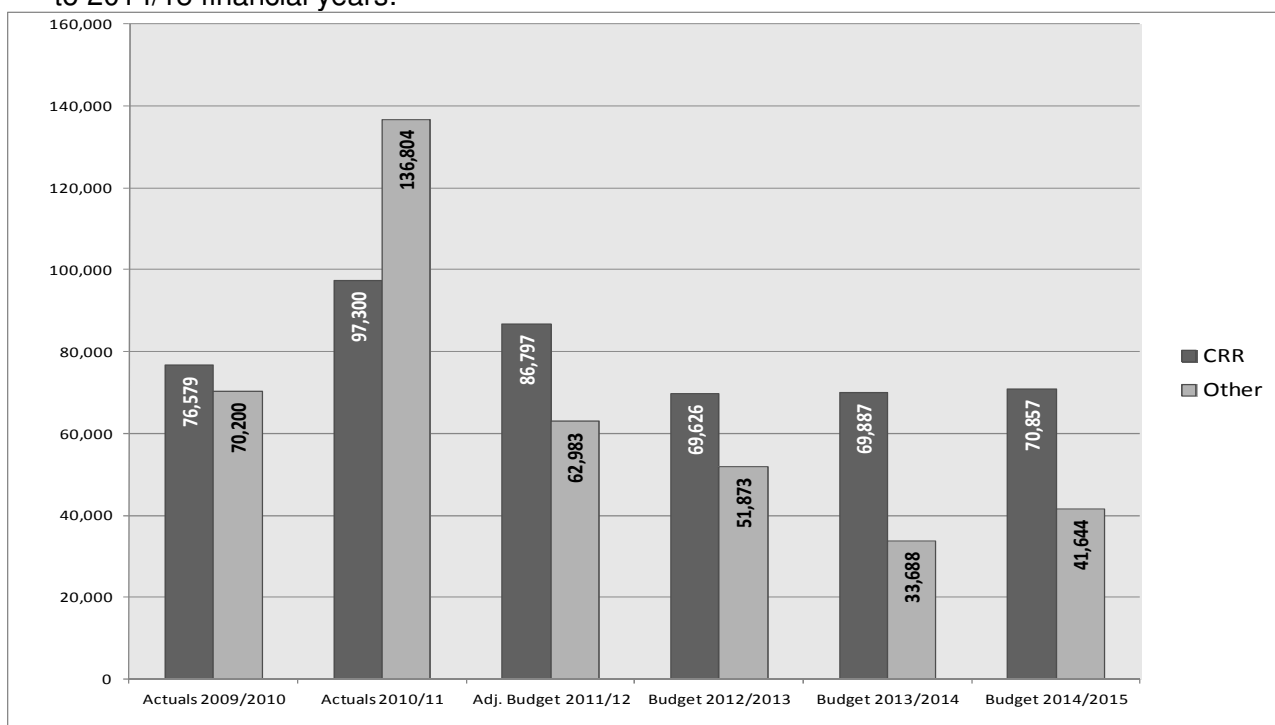
The total 2012/13 budget amounts to R811 623 494. This consists of a capital budget of R121 499 570 or 15% of the total budget and an operating budget of R690 123 924 or 85% of the total budget. The operational budget, however, includes departmental and non-cash transactions to the value of R92 677 233. If this is subtracted the operational cash budget for 2012/2013 is decreased to R597 446 691.

The following graph shows the operating and capital budget separately for the 2010/2011 (actuals) financial year and the budgeted figures for 2011/2012 to 2014/2015 financial years:



Capital Expenditure Budget:

The following graph shows the capital budget (actual expenditure) for the 2009/10 and 2010/11 financial years as well as the revised budget for 2011/12 and proposed budgets for the 2012/13 to 2014/15 financial years:



The total capital budget for 2012/2013 shows a reduction in the total budgeted amount compared to the revised capital budget for 2011/2012. This is mainly due to the additional external funding sources which were received during the 2011/2012 year and the declining Capital Replacement Reserve of the Municipality.

The detailed capital projects are shown in annexure C of this document. Also attached to this annexure is a summary showing the total amount per vote and per ward. It is clear from this summary that the capital expenditure for 2012/13 will be allocated mainly to Civil Services (R51,7 million), Electrical Services (R20,9 million), Community Services (R18,9 million) and Development, Planning and Human Settlements (R22,6 million).

The biggest portion of the capital budget in respect of Civil Services is focused on streets and stormwater (R29,7 million), sewerage (R13,4 million) and water (R8,6 million). The detail of all these projects can be seen on the abovementioned annexure.

Financing of Capital Budget

The following table gives a breakdown of the sources of finance of the 3-year capital budget from 2012/13 to 2014/15:

Funding Source	2012/13	2013/14	2014/15
Capital Replacement Reserve (Internal)	R 69 626 170	R 69 887 050	R 70 857 300
Municipal Infrastructure Grant	R 17 156 000	R 18 098 000	R 19 144 000
Extended Public Works Programme	R 2 461 000	NIL	NIL
Recoverable Developer	R 2 050 000	R 2 400 000	R 2 500 000
Department of Energy	R 1 000 000	R 1 000 000	R 7 500 000
External Loans	R 699 000	R 175 000	R 485 000
Department of Human Settlements	R 22 465 400	R 12 000 000	R 12 000 000
Municipal Systems Improvement Grant	R 22 000	NIL	NIL
Community Development Workers	R 20 000	R 15 000	R 15 000
Library Subsidy (Conditional Grant)	R 6 000 000	NIL	NIL
TOTAL	R121 499 570	R103 575 050	R112 501 300

From the above it is clear that the main source of funding will be internal funds (Capital Replacement Reserve – R69,6 million) and thereafter the external funding sources of which M.I.G. funding (R17,2 million) and the Department of Human Settlements (R22,5 million) are the largest external sources.

During the meetings of the Budget Steering Committee certain projections were tabled on the future capital budgets and the financial sustainability of the Capital Replacement Reserve. Given the amendments from the revised budget at the end of February 2011 and the draft capital budget which is tabled for the next 3 financial years, it is important to revise these calculations periodically.

National Treasury also prescribes that each municipality needs to develop a policy providing for an appropriate level of cash-backing in its capital replacement reserve for the replacement of assets. Mossel Bay Municipality's Funding and Reserves Policy can be found in Annexure B to this document.

The following table analyses the projected transactions of the C.R.R. from 01 July 2011 to 30 June 2015, based on the proposed capital and operational budgets attached hereto:

CAPITAL REPLACEMENT RESERVE

BALANCE AS AT 30 JUNE 2011:

R 54 623 570

2011/12	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 38 284 361
- Land Sales	R10 526 000
- Bulk Services Contributions	R 4 000 000
FINANCING CAPITAL BUDGET (CRR)	(R 89 908 350)

BALANCE AS AT 30 JUNE 2012:

R 17 525 581

2012/13	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 47 587 601
- Land Sales	R 4 000 000
- Bulk Services Contributions	R 2 000 000
FINANCING CAPITAL BUDGET (CRR)	(R 69 626 170)

BALANCE AS AT 30 JUNE 2013:

R 1 487 012

2013/14	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 52 407 441
- Land Sales	R 4 800 000
- Bulk Services Contributions	R 2 200 000
FINANCING CAPITAL BUDGET (CRR)	(R 69 887 050)

BALANCE AS AT 30 JUNE 2014:

(R 8 992 597)

2014/15	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 55 570 995
- Land Sales	R 4 800 000
- Bulk Services Contributions	R 2 200 000
FINANCING CAPITAL BUDGET (CRR)	(R 70 857 300)

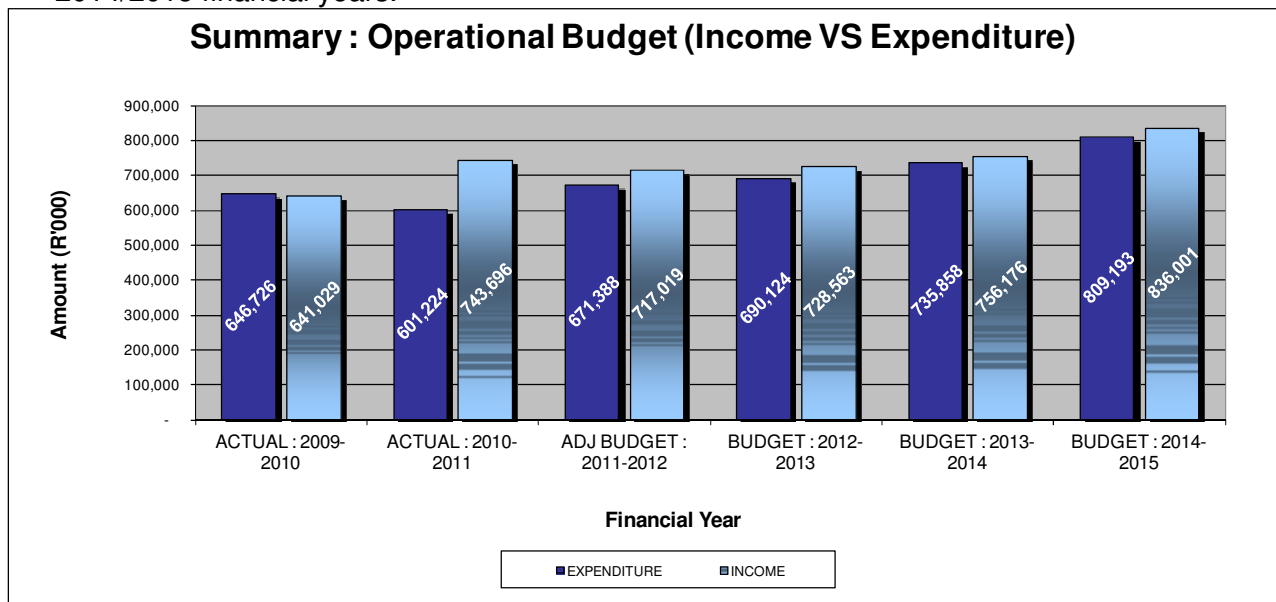
BALANCE AS AT 30 JUNE 2015:

(R 17 278 902)

It is thus clear from the above that the present levels of financing of capital budgets from the C.R.R. will be impossible to sustain over the longer term. Based on the abovementioned projections of contributions to the C.R.R. and capital budgets the C.R.R. funds will be totally depleted during the 2013/2014 financial year. This will result in a situation whereby all future capital projects will have to be financed by way of external loans.

Operating Expenditure Budget:

The following graph shows the operating budget income and expenditure separately for the 2009/2010 and 2010/2011 (actuals) financial year and the budgeted figures for 2011/2012 to 2014/2015 financial years.



The total operating budget for 2012/2013 amounts to R690 123 914, which is 2,8% more than the previous year's revised budget. There are certain expenditure items in 2012/2013 budget to the value of R92 677 233, which represents non-cash and internal departmental charges. If those items are subtracted from the total operating figure, the cash budget for 2012/2013 will amount to R597 446 691.

The following table gives a breakdown per category of expenditure of the **cash budget** for the 2012/2013 financial year:

Category of Expenditure	Amount	% of Total Exp Budget	% of Total Exp Budget (2011/12)
Employee-related Costs	R 179 173 327	30.0%	29.5%
Less Employee Costs Capitalised	(R 1 180 000)	-0.2%	-0.3%
Remuneration of Councillors	R 8 428 321	1.4%	1.5%
Collection Costs	R 6 600 000	1.1%	1.0%
General Expenses – Bulk Purchases	R 194 696 370	32.6%	30.0%
General Expenses – Contracted Services	R 30 931 281	5.2%	5.1%
General Expenses – Grants & Subsidies	R 955 000	0.2%	0.2%
General Expenses - Other	R 78 273 013	13.1%	17.0%
Repairs & Maintenance – Municipal Assets	R 43 112 530	7.2%	8.0%
Depreciation – Property, Plant & Equipm.	R 47 573 602	8.0%	6.7%
Depreciation – Leased PPE	R 1 116 655	0.2%	0.2%
Amortisation – Intangible Assets	R 13 999	0.0%	0.0%
Interest Expense – External Borrowings	R 2 949 092	0.5%	0.3%
Contributions to/from Provisions & Reserves	R 5 314 500	0.9%	0.7%
Interdepartmental Charges and Recoveries	(R 511 000)	-0.1%	-0.1%
TOTAL	R 597 446 691	100.0%	100.0%

The following deductions can be made on some of these figures:

- * The employee related costs are on the national norm of 30%. I also refer you to section 7.8, which shows a list of vacant and new posts, which had already been included in the expenditure figures for 2012/2013 draft budget. The expenditure in respect of some of the posts was only calculated for a part of the year, which means that these posts can only be filled from these dates in the new financial year.
- * The repairs and maintenance cost is only 7.2% of the total expenditure. It must, however, be kept in mind that a big portion of actual maintenance costs is already included in the employee cost category.

The total expenditure for the 201/2013 financial year also includes the following expenses which Council needs to consider with the approval of the budget:

- * Vacant posts (see Section 7.8)
The total value of R6 981 225 is included in the expenditure with regards to vacant posts which must be filled. As you can see from the annexure, some of these posts will only be filled at a later date to alleviate the burden on the operational budget.
- * New posts (see Section 7.8)
These are mostly new posts which are of the highest priority. These posts are necessary to ensure the effective and efficient delivery of these services which it is meant for. As you can see on the annexure, the biggest portion of the new posts is for the new municipal court which must be established. The total value of these posts is R4 135 647.
- * The budget also makes provision for the additional rent with regards to the new offices where specific departments will be moved to. The approved tender was for the Plaza Aquada building and the following table shows the breakdown of rental to be paid for the various departments.

	Price per m ²	Total m ² that will be utilised	Rent per month	Total Rent for year 1	Current rent payable(E X VAT)	Nett Increase or Decrease
Traffic						
Year 1	R 36.48	1330	R 48,518	R 582,221	255,420	R 326,801
Traffic that will be in Plaza Aquada						
Year 1	R 31.35	70	R 2,195	R 26,334	0	R 26,334
SCM						
Year 1	R 31.35	320	R 10,032	R 120,384	0	R 120,384
Strategic Support Unit						
Year 1	R 31.35	30	R 941	R 11,286	0	R 11,286
Parks and Recreation						
Year 1	R 31.35	180	R 5,643	R 67,716	114,543	-R 46,827
Waste and Pollution						
Year 1	R 31.35	110	R 3,449	R 41,382	114,543	-R 73,161
Director: Community Services						
Year 1	R 31.35	72	R 2,257	R 27,086	0	R 27,086
ICT						
Year 1	R 31.35	6.25	R 196	R 2,351	0	R 2,351

TOTALS FOR YEAR 1

R 878,760

R 484,506

R 394,254

The above figures only cover the rent for the first year. The final figure will however depend on the total space utilized per department. It is envisaged that the traffic department will use less offices as provided for in the tender and as shown above.

Based on the above assumptions the total additional costs over a period of 9 years and 11 months will be R5 475 097 (VAT excluded). This is also based on the further assumption that the current contracts would also have escalated with 8%.

- * Also included in the expenditure totals are the annual cost of the desalination plant and reverse osmosis plant (Cleaning effluent water). The total cost provided for these projects are as follows:

Desalination Plant: R4 559 150

Reverse Osmosis: R2 933 268

Electricity consumption: ±R1 500 000

You are also referred to section 6.11 (Operating Budget per Item) of this document where the total income and expenditure per individual item is shown.

Operating Revenue Budget:

The operating revenue budget amounts to R728 562 582. This includes capital transfers and other non-cash and departmental income to the value of R131 100 086. If these items are excluded the total **operating cash revenue** amounts to R597 462 496. The table below gives a list of all sources of revenue:

Source of Revenue	Amount	% of Total Rev Budget	% of Total Rev Budget (2011/12)
Property Rates	R 78 733 621	13.2%	12.6%
Penalties Imposed and Collection Charges	R 2 000 000	0.3%	0.3%
Service Charges	R 407 635 318	68.2%	63.9%
Rent of Facilities and Equipment	R 4 629 044	0.8%	0.7%
Interest Earned – External Investments	R 14 104 320	2.4%	1.9%
Interest Earned – Outstanding Debtors	R 291 400	0.0%	0.1%
Fines	R 6 060 750	1.0%	0.9%
Licences and Permits	R 4 840 500	0.8%	0.8%
Grants & Subsidies Received - Operating	R 67 992 424	11.4%	15.3%
Other Revenue	R 11 175 119	1.9%	3.5%
TOTAL	R 597 462 496	100.0%	100.0%

It is clear from the above table that Mossel Bay Municipality is depending a lot on service charges to balance its budget. The service charges, excluding departmental and other internal charges, consist mainly of the following:

- Electricity Charges R250,6 million.
- Water Charges R67,5 million.
- Sewerage Charges R33,7 million.
- Refuse Removal Charges R27 million.
- Other R28,8 million.

EXTERNAL FUNDING SOURCES

The following sources of funding were made available from National and Provincial Government for the 2012/13 financial year:

National Funding:

<i>Grant</i>	<i>CAPITAL budget funding</i>	<i>OPERATING budget funding</i>
Integrated National Electrification Programme Grant	R 1 000 000	
Municipal Infrastructure Grant	R 17 156 000	
Expanded Public Works Programme Incentive Grant	R 2 461 000	
Finance Management Grant		R 1 250 000
Municipal Systems Improvement Grant	R22 000	R 778 000
Contribution toward Council Remuneration & Ward committees		R 3 318 000
Equitable Share Indigent Subs		R 39 177 000
TOTAL	R 20 639 000	R 44 523 000

Provincial Funding:

<i>Grant</i>	<i>CAPITAL budget funding</i>	<i>OPERATING budget funding</i>
Integrated Housing and Human Settlement & Development Grant	R22 465 400	R18 251 600
Maintenance of Proclaimed Roads		R 50 000
Library Services	R6 000 000	R 927 000
Community Development Worker Operations Support Grant	R20 000	R 88 000
TOTAL	R 28 485 400	R 19 316 600

PROPOSED RATES AND TARIFFS FOR 2012/13

Attached hereto is a list of all the tariffs of the Council (Annexure A). The annexure shows the tariffs for the present financial year as well as the tariffs and proposed increases for the 2012/2013 financial year. Councillors are requested to peruse through this tariff listing and thoroughly debate the proposed increases to those tariffs.

The following tariff increases are provided for to balance the budget for 2012/2013 financial year.

Electricity Tariffs:

The draft operational budget for the 2012/2013 financial year makes provision for the following electricity tariff increases:

- * Eskom tariff increase in respect of purchase of electricity : 13,5%
- * Municipal electricity tariff increases on sales : 11,03%

The following is also important with regards to the abovementioned tariff increases:

- The basic charge in respect of the two-part tariff for domestic consumers is not increase for 2012/2013.
- For the first time the municipality is going to implement an inclining block tariff with regards to the unit charges for electricity sold to domestic consumers. The first 20 units (50 units in respect of indigent households) will still be free of charge but thereafter the unit price incrementally increase in the blocks as shown on the tariff list. The inclining block tariff is prescribed by NERSA in the tariff guidelines which they are providing.
- All domestic consumers who use an average of more that 400kwh per month based on the average of the past 4 months, will be placed on the one-part tariff. It is only the consumers using less than 400kwh per month (based on the average of the past 4 months) which will be placed on the two-part tariff. This, however excludes indigent and poor household consumers as well as permanent inhabitants for at least 9 months. The latter to be confirmed with a sworn affidavit.
- As far as commercial tariffs (single phase) are concerned the consumers using less that 1000kwh per month will now for the first time also pay a fixed monthly charge with a reduced tariff for unit charges compared to the commercial consumers using more than 1000kwh per month (based on an average consumption over the past 6 months) who will pay a much higher unit charge but with no basic charge.
- The same conditions will apply for three phased commercial users except that the limit is increased to 2000kwh per month.
- Availability charges for vacant erven increased by 10% per annum.

The following gives a summary of the revenue and expenditure in respect of the electricity account:

	<i>Budget 2011/12</i>	<i>Budget 2012/13</i>
Total Sales of Electricity	R250 016 969	R275 388 385
Total Purchases of Electricity	R157 017 216	R182 096 370
GROSS PROFIT	R 92 999 753	R 93 292 015
Percentage Gross Profit	37.2%	33,9%

It is thus clear from the above that there is a considerable reduction in the gross profit on electricity sales which illustrates that the dependency on electricity tariffs to balance the budget with these tariffs have reduced. This in itself is a function of the high increases in the electricity tariffs over the past few years which lead to a consumer resistance on the usage of electricity. This is also reflected in the number of units sold in the past financial year.

Lastly, it must be stressed that the electricity tariffs of Council still need to be approved by NERSA. Any changes on these tariffs can have a major effect on the income of Council which will force Council to reconsider the budget and other tariff increases.

Water Tariffs:

It is recommended that the water tariffs, i.e. the basic charges and usage tariffs be increased with 8% per annum. Council is also referred to the tariffs in periods of drought which is also shown in the annexures.

Council's attention is specifically drawn to the fact that there are changes to some of the consumption blocks provided for in these tariffs. These changes however are to the benefit of the specific consumer category but may have a negative impact on the water income.

The revenue and expenditure for the water account is as follows:

	<i>Budget 2011/12</i>	<i>Budget 2012/13</i>
Total Revenue	R86 913 491	R101 476 664
Total Expenditure	R 91 576 769	R 99 208 951
NETT PROFIT / (LOSS)	(R 4 663 278)	R 2 267 713

As can be seen from the above figures, the water department changed from a loss in 2011/12 to a profit of R2 267 713 in the 2012/13 budget. The relative small profit on the water service can mainly be attributed to the following expenditures which had been budgeted for the water budget.:

- Purchases of water R12 600 000
- Cost of remaining desalination plant and reverse osmosis plant (including electricity) approximately R 9 000 000

This service is regarded as a trading service and is supposed to run on a profit. Water consumption trend is still very volatile and it was therefore very difficult to project future water consumption patterns. This is a risk as far as income in the 2012/13 budget is concerned.

Refuse Removal Tariffs:

The service is categorised as an economic service, which means that it is supposed to pay for itself from service fees or even making a small profit.

It is recommended that the refuse removal tariffs are increased by 8%.

The revenue and expenditure of this service can be summarised as follows:

	<i>Budget 2011/12</i>	<i>Budget 2012/13</i>
Revenue	R42 543 753	R47 645 396
Expenditure	R35 135 320	R40 619 002
NETT SURPLUS	R 7 408 433	R 7 026 394

This nett surplus shows a small decrease from 2011/12 to 2012/2013.

Sewerage Fees:

The sewerage service is classified as an economic service. This service must be fully financed by its own tariffs and can also generate some profits to subsidize property rates. As this service still operates on a big surplus, it is recommended not to increase the sewerage tariffs for 2012/13 financial year.

The following is a summary of the income and expenditure of the sewerage service:

	<i>Budget 2011/12</i>	<i>Budget 2012/13</i>
Revenue	R71 069 020	R71 976 631
Expenditure	R54 133 039	R61 048 426
NETT SURPLUS	R16 935 981	R10 928 205

As can be seen from the above figures, this service still generates a considerable surplus and therefore, no increase in tariffs is recommended for this service.

Property Rates:

Property rates are levied in terms of the property rates act and the income generated from this service is used to balance the budget. It does not pay for a specific service. The rates policy which must also be approved by Council is also attached hereto. This policy defines and recommends the rates tariff structure which is as follows:

	<u>Ratio to base tariff</u>
Industrial/Commercial tariff – Base tariff	- 100%
Accommodation Establishments	- 70%
Agricultural used as businesses/industrial	- 70%
Public Service Infrastructure	- 70%
Residential	- 50%
Vleesbaai	- 15%
Agricultural	- 12,5%
Public benefit Organizations	- 12,5%

A new general valuation of all properties in Mossel Bay has been done and this general valuation will be implemented with effect from 1 July 2012. The valuation of properties shows that the property valuations in some areas shows a decrease whilst in other areas it shows an increase in property valuations.

It is therefore very difficult to determine the impact of any tariff increase on the rates account of a category of property owners. Every property needs to be evaluated on its own to determine the impact of the increase. It is however recommended that the property rates tariff as calculated on the new general valuations, be increased with 8%.

The actual property rates tariffs are shown in the tariff list attached hereto. Due to the general valuation the increase in rates account will differ from property to property.

It is further recommended that, apart from the first R15 000 valuation of any residential property which is exempted in term of the property rates act, a rebate be granted on the balance of the valuation up to a maximum of R35 000. The owner of a residential property will therefore not pay any property rates on the first R50 000 of the value of its property. This is the same as in the present financial year.

Finally it must be mentioned that the recommended increases in tariffs do not generate enough income to balance the budget. The shortfall of R3,5 million needs to be contributed from the accumulated surplus. It is however a reduction in the surplus funding needed compared to previous financial years.

Effect of increases on households:

It is very difficult to determine what the average effect of the increases on households will be, mainly due to the fluctuations in the valuations of properties as per the new general valuation.

A calculation was done to determine the effect on an average household in the mid to high income groups with an average monthly water consumption of 15 kilolitres and electricity consumption of 600 units per month. Certain assumptions were made as far as the valuation of the property is concerned. As previously mentioned, this will vary between the different areas in town.

It was however found that the effect of the proposed tariff increases on a normal household will be 9,93% per annum, including the electricity increase as determined by NERSA. If electricity is excluded from this calculation, the effect in respect of the tariff increases which Council controls, i.e. water, property rates, sewerage and refuse removal will only be 6,45% per annum.

Subsidies and Rebates:

Specific attention was also given to the plight of the poor people. With this in mind the following subsidies and rebates are recommended to Council.

SUBSIDIES TO INDIGENT AND POOR HOUSEHOLDS:

	<u>Subsidies 2011/12</u>	<u>Subsidies 2012/13</u>
Indigent Household	R345,02 + VAT	R360,27 + VAT
Poor Household	R260,00 + VAT	R360,27 + VAT

It is clear from the above that the subsidies for poor households are increased to be the same as for indigent households. The criteria on which the subsidies are based is described in the tariff list under paragraph 6. The criteria for indigent households are, inter alia, based on the income of that household which is twice the monthly State Old Age pension, It is recommended that income criteria for poor households be increased from R4 000 to R4 600 per month.

These households will then receive the following services free of charge.

Electricity : indigent 50kwh, poor households 20kwh per month.
 Water : No basic charges, 6 kilolitres free per month.
 Sewerage : No charges
 Refuse : No charges
 Property Rates: The first R50 000 valuation free of charge.

The abovementioned subsidies will be financed as follows:

Indigent Subsidies- R33,5 million from equitable share.
 Poor Households - R 4,1 million from Council's internal income sources.

These households will therefore only pay for electricity consumption more than 50kwh or 20kwh and water consumption more than 6 kl and property rates when valuations exceeds R50 000.

SUBSIDY/DISCOUNTS TO PENSIONERS

Property Rates

The discount on property rates in respect of pensioners will be allocated based on the conditions as per paragraph 7 of the tariff list. It is however, recommended that the limit with regards to the total income of households is increased as follows, for:

-50% discount on property rates: Income limit is increased from R7 000 to R9 000 per month.
 -30% discount on property rates: The income limit is increased from R10 000 to R12 000 per month.

Sewerage Fees

It is also recommended for the first time, that a discount be allowed for pensioners in respect of the sewerage fees. The same criteria for qualification will apply as in the case of property rates and discounts are recommended as follows:

- Pensioners with an income of not exceeding R9 000 per month: 40% discount on sewerage fees.
- Pensioners with an income not exceeding R12 000 per month, a discount of 30% on sewerage fees.

It is thus clear from the above that this budget of Council specifically tries to help the poor people and pensioners in the Town that cannot afford the higher municipal tariffs.

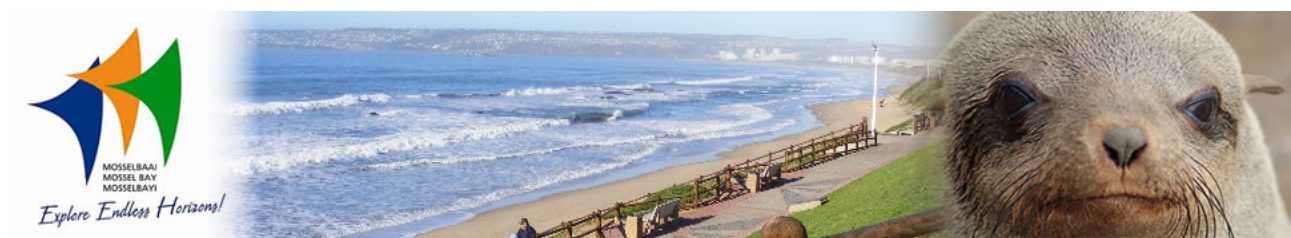
BUDGET RELATED POLICIES OF COUNCIL

The following policies are submitted annually as part of the budget documentation:

- * Cash Management and Investment Policy
- * Rates Policy
- * Tariff Policy
- * Credit Control and Debt Collection and Indigent Policy
- * Supply Chain Management Policy
- * Virement Policy
- * Funding and Reserve Policy
- * Asset Management Policy
- * Expenditure Policy
- * Debt and Borrowing Policy

A summary of the key amendments to the policy documents is shown in section 7.3 of this document.

H F BOTHA
CHIEF FINANCIAL OFFICER



6. ANNUAL BUDGET TABLES & GRAPHS

6.1. Budget summary

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousands									
Financial Performance									
Property rates	46,378	57,285	66,958	74,162	74,179	74,179	81,125	88,817	98,125
Service charges	289,276	317,838	375,425	436,061	429,559	429,559	481,586	526,284	578,894
Investment revenue	26,878	18,489	11,845	10,629	10,749	10,749	14,104	14,371	13,607
Transfers recognised - operational	43,824	48,886	63,996	75,581	87,753	87,753	67,992	54,064	59,481
Other own revenue	28,034	129,746	25,753	49,691	57,419	57,419	37,602	43,874	50,509
Total Revenue (excluding capital transfers and contributions)	434,390	572,244	543,977	646,124	659,658	659,658	682,410	727,410	800,616
Employee costs	127,640	153,958	160,528	184,615	181,735	181,735	193,795	207,915	224,172
Remuneration of councillors	5,427	5,781	6,235	7,404	8,289	8,289	8,428	8,934	9,381
Depreciation & asset impairment	23,068	25,887	32,221	38,298	39,442	39,442	48,704	53,333	56,093
Finance charges	787	995	695	3,586	1,700	1,700	2,949	2,728	2,576
Materials and bulk purchases	102,755	113,836	149,828	177,183	180,670	180,623	205,364	234,472	268,099
Transfers and grants	3,010	2,673	3,134	4,314	3,086	3,086	5,500	6,237	6,889
Other expenditure	154,832	343,597	248,582	236,422	256,466	256,513	225,382	222,239	241,984
Total Expenditure	417,519	646,726	601,224	651,821	671,388	671,388	690,124	735,858	809,193
Surplus/(Deficit)	16,870	(74,483)	(57,248)	(5,698)	(11,730)	(11,730)	(7,714)	(8,448)	(8,577)
Transfers recognised - capital	27,425	67,765	133,182	32,819	51,239	51,239	46,153	28,766	35,385
Contributions recognised - capital & contributed	-	1,020	66,537	-	6,121	6,121	-	-	-
Surplus/(Deficit) after capital transfers & contributions	44,296	(5,698)	142,471	27,121	45,630	45,630	38,439	20,318	26,808
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	44,296	(5,698)	142,471	27,121	45,630	45,630	38,439	20,318	26,808
Capital expenditure & funds sources									
Capital expenditure	100,502	146,105	260,538	118,021	148,780	148,780	121,500	103,575	112,501
Transfers recognised - capital	26,919	45,265	32,703	32,819	54,136	54,136	49,124	22,917	29,659
Public contributions & donations	64	24,262	17,089	3,950	6,759	6,759	2,050	2,400	2,500
Borrowing	3,929	-	130,475	2,224	2,288	2,288	699	175	485
Internally generated funds	69,590	76,578	80,271	79,028	85,597	85,597	69,626	78,083	79,857
Total sources of capital funds	100,502	146,105	260,538	118,021	148,780	148,780	121,500	103,575	112,501
Financial position									
Total current assets	270,144	278,808	279,582	280,950	277,049	277,049	284,504	269,946	258,555
Total non current assets	1,364,560	1,396,071	1,816,321	1,561,122	1,583,533	1,583,533	1,805,654	1,706,161	1,701,064
Total current liabilities	80,195	121,941	170,994	86,237	86,237	86,237	108,350	102,340	90,710
Total non current liabilities	72,269	82,851	107,369	116,153	116,153	116,153	134,339	131,860	129,180
Community wealth/Equity	1,482,240	1,470,087	1,817,539	1,639,683	1,658,192	1,658,192	1,847,469	1,741,907	1,739,729
Cash flows									
Net cash from (used) operating	94,759	21,818	252,983	58,499	77,008	77,008	97,067	97,307	97,459
Net cash from (used) investing	(96,876)	(44,560)	(234,608)	(75,752)	(98,162)	(98,162)	(86,000)	(100,525)	(110,126)
Net cash from (used) financing	476	(430)	(145)	2,931	2,931	2,931	2,650	2,575	2,500
Cash/cash equivalents at the year end	201,915	178,743	196,972	199,223	195,322	195,322	209,039	208,396	198,228
Cash backing/surplus reconciliation									
Cash and investments available	201,915	178,743	196,972	199,223	195,322	195,322	207,153	196,463	190,213
Application of cash and investments	139,535	113,750	124,043	9,199	4,643	4,643	45,015	31,649	14,685
Balance - surplus (shortfall)	62,380	64,994	72,930	190,024	190,679	190,679	162,138	164,814	175,528
Asset management									
Asset register summary (WDV)	1,363,339	1,393,884	1,807,532	1,559,603	1,582,013	1,582,013	1,803,854	1,704,411	1,699,364
Depreciation & asset impairment	23,068	25,887	32,221	38,298	39,442	39,442	48,704	53,333	56,093
Renewal of Existing Assets	13,535	29,332	16,163	13,360	14,408	14,408	17,530	19,468	22,079
Repairs and Maintenance	37,152	33,735	32,742	45,007	48,817	48,686	46,306	46,886	50,220
Free services									
Cost of Free Basic Services provided	30,729	34,902	37,195	47,877	47,877	42,470	147,072	150,210	49,622
Revenue cost of free services provided	150,047	38,812	41,007	52,035	52,035	46,998	49,027	51,805	54,763
Households below minimum service level									
Water:	1	1	-	1	1	1	0	0	0
Sanitation/sewerage:	1	1	1	1	1	1	1	0	0
Energy:	0	0	-	0	0	0	0	0	0
Refuse:	0	0	-	0	0	0	0	0	0

6.2. Budgeted financial performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		88,345	197,999	98,109	116,369	119,072	119,072	116,892	130,398	142,106
Executive and council		38,279	135,903	25,023	35,906	38,640	38,640	29,611	34,921	36,531
Budget and treasury office		3,005	3,660	4,889	5,166	4,687	4,687	5,341	5,773	6,476
Corporate services		47,060	58,435	68,197	75,298	75,745	75,745	81,940	89,705	99,098
<i>Community and public safety</i>		35,899	35,214	41,094	72,011	90,477	90,477	79,337	50,590	50,353
Community and social services		1,089	1,262	1,806	1,452	1,429	1,429	7,552	690	759
Sport and recreation		6,702	7,157	7,321	10,129	11,845	11,845	13,169	13,967	10,395
Public safety		9,320	7,074	8,130	10,190	10,057	10,057	11,036	12,718	14,805
Housing		18,788	19,722	23,836	50,241	67,146	67,146	47,580	23,215	24,394
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		12,826	10,324	11,788	21,048	29,603	29,603	23,087	11,685	14,568
Planning and development		4,649	5,018	4,537	5,087	12,643	12,643	10,236	6,776	7,407
Road transport		8,177	5,306	7,251	15,961	16,960	16,960	12,851	4,909	7,161
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		324,746	397,492	592,705	469,514	477,867	477,867	509,247	563,502	628,974
Electricity		156,190	191,296	235,665	268,988	266,701	266,701	288,148	317,495	359,188
Water		69,161	108,370	253,017	86,913	93,311	93,311	101,477	119,957	135,957
Waste water management		70,266	65,222	65,620	71,069	72,682	72,682	71,977	73,177	73,663
Waste management		29,128	32,605	38,402	42,544	45,173	45,173	47,645	52,873	60,167
<i>Other</i>	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	461,815	641,029	743,696	678,943	717,019	717,019	728,563	756,176	836,001
Expenditure - Standard										
<i>Governance and administration</i>		63,847	268,719	84,507	100,269	105,106	105,106	96,273	102,653	109,162
Executive and council		33,417	234,056	45,310	55,448	59,664	59,744	45,659	49,857	53,205
Budget and treasury office		11,716	12,778	14,045	16,177	15,604	15,524	16,229	16,727	17,754
Corporate services		18,714	21,884	25,152	28,645	29,838	29,838	34,385	36,069	38,203
<i>Community and public safety</i>		77,521	86,027	95,727	114,243	129,521	129,521	111,261	100,537	108,080
Community and social services		8,750	10,116	10,856	12,331	12,723	12,723	12,960	13,926	15,092
Sport and recreation		29,006	30,759	32,231	37,161	40,196	40,196	39,259	39,645	42,360
Public safety		22,584	24,030	26,685	29,310	32,052	32,052	33,920	35,751	38,235
Housing		17,180	21,121	25,955	35,441	44,551	44,551	25,121	11,215	12,394
Health		-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>		37,611	36,726	35,313	49,844	46,841	46,841	53,144	56,869	60,934
Planning and development		13,843	16,612	18,250	21,344	21,260	21,260	23,595	25,056	26,747
Road transport		23,769	20,114	17,063	28,500	25,581	25,581	29,549	31,813	34,186
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		238,539	255,253	385,675	387,465	389,919	389,919	429,447	475,798	531,017
Electricity		118,117	137,049	166,333	206,620	208,914	208,914	228,570	259,832	295,418
Water		51,161	52,270	139,965	91,577	89,089	89,089	99,209	106,451	116,478
Waste water management		38,871	39,452	48,792	54,133	52,905	52,905	61,048	66,370	71,551
Waste management		30,390	26,482	30,586	35,135	39,011	39,011	40,619	43,145	47,570
<i>Other</i>	4	1	1	1	0	0	0	-	0	0
Total Expenditure - Standard	3	417,519	646,726	601,224	651,821	671,388	671,388	690,124	735,858	809,193
Surplus/(Deficit) for the year		44,296	(5,698)	142,471	27,121	45,630	45,630	38,439	20,318	26,808

6.3. Budgeted financial performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote	1									
Vote 1 - MUNICIPAL MANAGER		38,279	135,903	25,023	35,906	38,640	38,640	29,627	34,938	36,551
Vote 2 - CORPORATE SERVICES		827	1,195	1,330	1,235	8,487	8,487	5,019	1,144	1,237
Vote 3 - FINANCIAL SERVICES		49,449	61,087	71,926	79,429	79,124	79,124	86,548	94,678	104,693
Vote 4 - CIVIL SERVICES		147,605	178,897	325,888	173,944	182,952	182,952	186,304	198,044	216,780
Vote 5 - COMMUNITY SERVICES		46,239	48,097	55,660	64,314	68,505	68,505	79,402	80,248	86,126
Vote 6 - ELECTRICITY SERVICES		156,190	191,296	235,712	268,988	266,701	266,701	288,148	317,495	359,188
Vote 7 - DEVELOPMENT PLANNING & HOUSING		23,225	24,554	28,157	55,128	72,610	72,610	53,514	29,629	31,426
Total Revenue by Vote	2	461,815	641,029	743,696	678,943	717,019	717,019	728,563	756,176	836,001
Expenditure by Vote to be appropriated	1									
Vote 1 - MUNICIPAL MANAGER		33,419	234,058	45,311	55,448	59,664	59,744	50,213	54,758	58,528
Vote 2 - CORPORATE SERVICES		15,503	18,206	19,978	20,971	20,779	20,779	21,445	22,683	24,108
Vote 3 - FINANCIAL SERVICES		16,653	18,483	21,571	26,392	27,516	27,436	28,457	29,557	31,297
Vote 4 - CIVIL SERVICES		114,151	112,470	206,483	174,283	167,512	167,512	189,921	204,578	222,051
Vote 5 - COMMUNITY SERVICES		90,730	91,388	100,358	113,938	123,982	123,982	126,758	132,467	143,257
Vote 6 - ELECTRICITY SERVICES		118,117	137,268	167,018	207,948	210,216	210,216	230,140	261,513	297,228
Vote 7 - DEVELOPMENT PLANNING & HOUSING		28,947	34,854	40,506	52,843	61,721	61,721	43,190	30,303	32,724
Total Expenditure by Vote	2	417,519	646,726	601,224	651,821	671,388	671,388	690,124	735,858	809,193
Surplus/(Deficit) for the year	2	44,296	(5,698)	142,471	27,121	45,630	45,630	38,439	20,318	26,808

6.4. Budgeted financial performance (revenue and expenditure)

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
Revenue By Source										
Property rates	2	44,294	55,141	64,886	72,062	72,429	72,429	79,125	86,717	95,878
Property rates - penalties & collection charges		2,084	2,144	2,073	2,100	1,750	1,750	2,000	2,100	2,247
Service charges - electricity revenue	2	145,593	171,939	209,889	250,017	247,017	247,017	275,388	303,657	337,919
Service charges - water revenue	2	54,924	49,780	62,160	69,910	66,000	66,000	83,215	92,000	102,000
Service charges - sanitation revenue	2	42,325	46,310	47,791	51,796	52,898	52,898	53,445	53,604	53,970
Service charges - refuse revenue	2	24,006	27,158	31,646	35,294	35,267	35,267	38,530	43,650	49,443
Service charges - other		22,428	22,651	23,939	29,043	28,378	28,378	31,007	33,373	35,562
Rental of facilities and equipment		3,893	4,137	4,022	4,247	4,282	4,282	4,629	5,160	5,790
Interest earned - external investments		26,878	18,489	11,845	10,629	10,749	10,749	14,104	14,371	13,607
Interest earned - outstanding debtors		414	354	342	345	304	304	291	309	296
Dividends received		–	–	–	–	–	–	–	–	–
Fines		4,910	2,644	3,555	5,258	5,354	5,354	6,061	7,267	8,713
Licences and permits		4,242	4,315	4,448	4,778	4,553	4,553	4,841	5,309	5,939
Agency services		–	–	–	–	–	–	–	–	–
Transfers recognised - operational		43,824	48,886	63,996	75,581	87,753	87,753	67,992	54,064	59,481
Other revenue	2	14,448	108,398	13,366	35,055	42,882	42,882	21,758	25,802	29,737
Gains on disposal of PPE		126	9,897	20	9	44	44	23	27	34
Total Revenue (excluding capital transfers and contributions)		434,390	572,244	543,977	646,124	659,658	659,658	682,410	727,410	800,616
Expenditure By Type										
Employee related costs	2	127,640	153,958	160,528	184,615	181,735	181,735	193,795	207,915	224,172
Remuneration of councillors		5,427	5,781	6,235	7,404	8,289	8,289	8,428	8,934	9,381
Debt impairment	3	12,333	12,514	18,448	12,860	12,860	12,860	10,000	11,500	13,225
Depreciation & asset impairment	2	23,068	25,887	32,221	38,298	39,442	39,442	48,704	53,333	56,093
Finance charges		787	995	695	3,586	1,700	1,700	2,949	2,728	2,576
Bulk purchases	2	92,789	105,503	141,956	167,017	170,437	170,437	194,696	223,271	255,822
Other materials	8	9,966	8,334	7,873	10,166	10,232	10,186	10,668	11,201	12,276
Contracted services		19,230	19,496	22,346	31,679	29,204	29,248	30,931	32,772	35,362
Transfers and grants		3,010	2,673	3,134	4,314	3,086	3,086	5,500	6,237	6,889
Other expenditure	4, 5	122,882	311,237	206,852	191,783	213,983	213,985	184,103	177,618	193,050
Loss on disposal of PPE		387	351	936	100	419	419	348	348	348
Total Expenditure		417,519	646,726	601,224	651,821	671,388	671,388	690,124	735,858	809,193
Surplus/(Deficit)										
Transfers recognised - capital		16,870	(74,483)	(57,248)	(5,698)	(11,730)	(11,730)	(7,714)	(8,448)	(8,577)
Contributions recognised - capital	6	27,425	67,765	133,182	32,819	51,239	51,239	46,153	28,766	35,385
Contributed assets		–	–	–	–	–	–	–	–	–
		–	1,020	66,537	–	6,121	6,121	–	–	–
Surplus/(Deficit) after capital transfers & contributions		44,296	(5,698)	142,471	27,121	45,630	45,630	38,439	20,318	26,808
Taxation										
Surplus/(Deficit) after taxation		44,296	(5,698)	142,471	27,121	45,630	45,630	38,439	20,318	26,808
Attributable to minorities										
Surplus/(Deficit) attributable to municipality		44,296	(5,698)	142,471	27,121	45,630	45,630	38,439	20,318	26,808
Share of surplus/ (deficit) of associate	7									
Surplus/(Deficit) for the year		44,296	(5,698)	142,471	27,121	45,630	45,630	38,439	20,318	26,808

6.5. Budgeted capital expenditure by vote, standard classification and funding

Vote Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand	1									
Capital expenditure - Vote										
Multi-year expenditure to be appropriated	2									
Vote 1 - MUNICIPAL MANAGER		72	73	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES		605	93	141	49	4,828	4,828	143	147	15
Vote 3 - FINANCIAL SERVICES		1,942	32	505	2,348	2,412	2,412	724	205	500
Vote 4 - CIVIL SERVICES		33,460	16,399	35,768	28,129	46,802	46,802	19,155	40,406	42,325
Vote 5 - COMMUNITY SERVICES		1,368	3,343	7,291	3,915	2,458	2,458	5,978	2,264	5,467
Vote 6 - ELECTRICITY SERVICES		12,315	18,661	22,752	13,250	14,038	14,038	14,675	19,425	21,975
Vote 7 - DEVELOPMENT PLANNING & HOUSING		2,424	3,861	6,263	11,820	17,315	17,315	22,495	12,020	12,020
Capital multi-year expenditure sub-total	7	52,186	42,462	72,720	59,510	87,853	87,853	63,170	74,467	82,302
Single-year expenditure to be appropriated	2									
Vote 1 - MUNICIPAL MANAGER		8	663	110	1,512	1,535	1,535	1,500	500	-
Vote 2 - CORPORATE SERVICES		23	1,430	4,075	2,238	4,459	4,459	4,683	680	55
Vote 3 - FINANCIAL SERVICES		150	259	1,036	268	388	388	266	-	-
Vote 4 - CIVIL SERVICES		36,803	88,314	167,863	36,408	34,529	34,529	32,136	19,386	25,882
Vote 5 - COMMUNITY SERVICES		4,509	5,867	6,551	9,175	8,963	8,963	12,894	6,342	862
Vote 6 - ELECTRICITY SERVICES		6,353	6,796	7,570	5,270	5,186	5,186	6,760	2,000	3,400
Vote 7 - DEVELOPMENT PLANNING & HOUSING		470	314	613	3,640	5,868	5,868	90	200	-
Capital single-year expenditure sub-total		48,316	103,643	187,818	58,511	60,926	60,926	58,329	29,108	30,199
Total Capital Expenditure - Vote		100,502	146,105	260,538	118,021	148,780	148,780	121,500	103,575	112,501
Capital Expenditure - Standard										
Governance and administration		3,227	2,550	5,867	6,414	13,620	13,620	7,317	1,532	570
Executive and council		80	736	110	1,512	1,535	1,535	1,760	500	-
Budget and treasury office		2,092	291	1,541	2,615	2,799	2,799	990	205	500
Corporate services		1,055	1,523	4,216	2,287	9,287	9,287	4,567	827	70
Community and public safety		8,149	9,720	18,057	24,285	31,903	31,903	38,727	20,286	15,879
Community and social services		950	759	1,054	1,346	1,208	1,208	6,450	81	2
Sport and recreation		3,339	5,683	5,957	4,374	3,766	3,766	7,232	6,405	2,807
Public safety		1,538	1,528	4,873	3,350	3,980	3,980	2,580	1,800	1,070
Housing		2,323	1,751	6,173	15,215	22,949	22,949	22,465	12,000	12,000
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		13,238	23,546	22,493	36,622	36,505	36,505	24,039	16,447	17,947
Planning and development		144	2,425	703	245	232	232	120	220	20
Road transport		13,094	21,122	21,790	36,377	36,273	36,273	23,919	16,227	17,927
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		75,878	110,286	213,962	50,540	66,586	66,586	51,395	65,301	78,095
Electricity		18,668	25,457	30,322	18,520	19,224	19,224	20,985	20,925	24,825
Water		27,100	59,380	159,510	6,350	20,632	20,632	8,585	24,276	30,655
Waste water management		30,059	24,209	22,174	21,650	24,267	24,267	19,215	19,780	20,165
Waste management		51	1,240	1,957	4,020	2,463	2,463	2,610	320	2,450
Other		10	2	158	160	165	165	22	10	10
Total Capital Expenditure - Standard	3	100,502	146,105	260,538	118,021	148,780	148,780	121,500	103,575	112,501
Funded by:										
National Government		22,333	43,901	27,374	17,132	29,846	29,846	20,639	10,902	17,644
Provincial Government		4,586	1,364	3,467	15,687	24,290	24,290	28,485	12,015	12,015
District Municipality		-	-	1,862	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	26,919	45,265	32,703	32,819	54,136	54,136	49,124	22,917	29,659
Public contributions & donations	5	64	24,262	17,089	3,950	6,759	6,759	2,050	2,400	2,500
Borrowing	6	3,929	-	130,475	2,224	2,288	2,288	699	175	485
Internally generated funds		69,590	76,578	80,271	79,028	85,597	85,597	69,626	78,083	79,857
Total Capital Funding	7	100,502	146,105	260,538	118,021	148,780	148,780	121,500	103,575	112,501

6.6. Budgeted Financial Position

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
ASSETS										
Current assets										
Cash		14	14	31,972	5,223	1,322	1,322	2,153	6,463	5,213
Call investment deposits	1	203,000	187,000	165,000	194,000	194,000	194,000	205,000	190,000	185,000
Consumer debtors	1	29,783	36,088	39,331	25,900	25,900	25,900	24,051	23,634	22,013
Other debtors		25,510	43,170	25,319	44,701	44,701	44,701	35,000	32,000	30,000
Current portion of long-term receivables		631	410	576	290	290	290	300	350	330
Inventory	2	11,207	12,126	17,384	10,838	10,838	10,838	18,000	17,500	16,000
Total current assets		270,144	278,808	279,582	280,950	277,049	277,049	284,504	269,946	258,555
Non current assets										
Long-term receivables		1,221	2,187	1,758	1,520	1,520	1,520	1,800	1,750	1,700
Investments		-	-	-	-	-	-	-	-	-
Investment property		503,158	413,143	714,489	505,918	505,918	505,918	750,000	690,000	720,000
Investment in Associate		-	-	-	-	-	-	-	-	-
Property, plant and equipment	3	859,740	980,453	1,092,977	1,052,852	1,075,263	1,075,263	1,053,804	1,014,366	979,324
Agricultural		-	-	-	-	-	-	-	-	-
Biological		-	-	-	-	-	-	-	-	-
Intangible		442	287	67	832	832	832	50	45	40
Other non-current assets		-	-	7,030	-	-	-	-	-	-
Total non current assets		1,364,560	1,396,071	1,816,321	1,561,122	1,583,533	1,583,533	1,805,654	1,706,161	1,701,064
TOTAL ASSETS		1,634,704	1,674,879	2,095,903	1,842,072	1,860,582	1,860,582	2,090,158	1,976,107	1,959,619
LIABILITIES										
Current liabilities										
Bank overdraft	1	1,099	8,271	-	-	-	-	-	-	-
Borrowing	4	1,905	1,681	1,160	1,350	1,350	1,350	1,250	1,240	1,210
Consumer deposits		2,750	10,161	11,615	11,203	11,203	11,203	12,000	12,200	12,300
Trade and other payables	4	69,770	92,068	149,435	68,468	68,468	68,468	87,500	81,500	70,000
Provisions		4,672	9,760	8,784	5,216	5,216	5,216	7,600	7,400	7,200
Total current liabilities		80,195	121,941	170,994	86,237	86,237	86,237	108,350	102,340	90,710
Non current liabilities										
Borrowing		2,995	2,096	1,017	25,730	25,730	25,730	28,739	25,665	22,560
Provisions		69,274	80,756	106,352	90,422	90,422	90,422	105,600	106,195	106,620
Total non current liabilities		72,269	82,851	107,369	116,153	116,153	116,153	134,339	131,860	129,180
TOTAL LIABILITIES		152,464	204,792	278,363	202,390	202,390	202,390	242,689	234,200	219,890
NET ASSETS	5	1,482,240	1,470,087	1,817,539	1,639,683	1,658,192	1,658,192	1,847,469	1,741,907	1,739,729
COMMUNITY WEALTH/EQUITY										
Accumulated Surplus/(Deficit)		1,370,577	1,387,397	1,785,770	1,631,234	1,649,743	1,649,743	1,843,182	1,748,500	1,755,308
Reserves	4	111,663	82,691	31,770	8,449	8,449	8,449	4,287	(6,593)	(15,579)
Minorities' interests		-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	1,482,240	1,470,087	1,817,539	1,639,683	1,658,192	1,658,192	1,847,469	1,741,907	1,739,729

6.7. Budgeted Cash flows

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Ratepayers and other		341,480	457,508	524,130	598,131	599,857	599,857	568,922	637,739	689,314
Government - operating	1	51,427	116,107	70,043	62,657	75,688	75,688	67,992	54,064	59,481
Government - capital	1	31,227		137,369	24,828	43,358	43,358	46,153	28,766	35,385
Interest		27,291	18,842	12,187	15,962	16,040	16,040	14,396	14,680	13,904
Dividends						-	-			
Payments										
Suppliers and employees		(266,849)	(291,487)	(322,584)	(458,749)	(473,149)	(473,149)	(422,717)	(466,885)	(518,219)
Finance charges		(787)	(995)	(695)	(536)	1,350	1,350	(2,949)	(2,728)	(2,576)
Transfers and Grants	1	(89,031)	(278,157)	(167,467)	(183,793)	(186,136)	(186,136)	(174,729)	(168,328)	(179,831)
NET CASH FROM/(USED) OPERATING ACTIVITIES		94,759	21,818	252,983	58,499	77,008	77,008	97,067	97,307	97,459
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		758	11,217	(916)	11,272	11,272	11,272	35,000	2,500	2,000
Decrease (Increase) in non-current debtors						-	-			
Decrease (increase) other non-current receivables		1,057	314	284	496	496	496	500	550	375
Decrease (increase) in non-current investments			90,014	127		-	-			
Payments										
Capital assets		(98,691)	(146,105)	(234,104)	(87,520)	(109,930)	(109,930)	(121,500)	(103,575)	(112,501)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(96,876)	(44,560)	(234,608)	(75,752)	(98,162)	(98,162)	(86,000)	(100,525)	(110,126)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans						-	-			
Borrowing long term/refinancing		111	(1,123)	(1,600)	(408)	(408)	(408)	(500)	(550)	(600)
Increase (decrease) in consumer deposits		365	692	1,454	339	339	339	350	375	400
Payments										
Repayment of borrowing					3,000	3,000	3,000	2,800	2,750	2,700
NET CASH FROM/(USED) FINANCING ACTIVITIES		476	(430)	(145)	2,931	2,931	2,931	2,650	2,575	2,500
NET INCREASE/ (DECREASE) IN CASH HELD		(1,641)	(23,172)	18,229	(14,322)	(18,223)	(18,223)	13,717	(643)	(10,168)
Cash/cash equivalents at the year begin:	2	203,556	201,915	178,743	213,544	213,544	213,544	195,322	209,039	208,396
Cash/cash equivalents at the year end:	2	201,915	178,743	196,972	199,223	195,322	195,322	209,039	208,396	198,228

6.8. Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Cash and investments available										
Cash/cash equivalents at the year end	1	201,915	178,743	196,972	199,223	195,322	195,322	209,039	208,396	198,228
Other current investments > 90 days		(0)	(0)	(0)	0	0	0	(1,886)	(11,933)	(8,016)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-
Cash and investments available:		201,915	178,743	196,972	199,223	195,322	195,322	207,153	196,463	190,213
Application of cash and investments										
Unspent conditional transfers		14,321	13,754	23,987	7,033	7,033	7,033	10,000	15,000	5,000
Unspent borrowing		-	-	-	-	-	-	-	-	-
Statutory requirements	2	2,952	10,161	11,615	11,203	6,703	6,703	12,000	12,200	12,300
Other working capital requirements	3	41	719	51,092	(19,110)	(19,166)	(19,166)	17,329	9,463	11,106
Other provisions		10,558	6,425	5,578	1,624	1,624	1,624	1,399	1,579	1,858
Long term investments committed	4	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	111,663	82,691	31,770	8,449	8,449	8,449	4,287	(6,593)	(15,579)
Total Application of cash and investments:		139,535	113,750	124,043	9,199	4,643	4,643	45,015	31,649	14,685
Surplus(shortfall)		62,380	64,994	72,930	190,024	190,679	190,679	162,138	164,814	175,528

6.9. Asset management

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	86,967	116,773	244,375	104,661	134,372	134,372	103,969	84,107	90,422
Infrastructure - Road transport		22,268	16,871	16,939	34,007	33,795	33,795	25,082	17,167	18,138
Infrastructure - Electricity		17,511	27,641	29,442	17,220	17,939	17,939	15,490	11,000	14,300
Infrastructure - Water		25,626	37,546	158,571	8,165	22,161	22,161	6,380	22,316	28,630
Infrastructure - Sanitation		10,366	11,657	14,312	13,130	14,957	14,957	12,745	12,420	12,200
Infrastructure - Other		60	1,197	2,020	2,960	1,947	1,947	2,010	170	2,450
Infrastructure		75,830	94,912	221,284	75,482	90,800	90,800	61,707	63,073	75,718
Community		5,444	9,982	9,141	4,415	3,816	3,816	9,511	5,695	1,152
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	5,693	11,879	13,950	24,764	39,757	39,757	32,752	15,340	13,552
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	13,535	29,332	16,163	13,360	14,408	14,408	17,530	19,468	22,079
Infrastructure - Road transport		8,884	20,296	8,525	6,135	7,170	7,170	3,032	4,690	6,694
Infrastructure - Electricity		1,157	5,409	2,720	1,000	1,000	1,000	4,650	9,400	10,000
Infrastructure - Water		1,475	1,055	473	-	-	-	2,000	1,740	1,950
Infrastructure - Sanitation		1,637	1,832	3,023	600	668	668	530	620	800
Infrastructure - Other		-	400	186	500	-	-	300	-	-
Infrastructure		13,152	28,992	14,927	8,235	8,837	8,837	10,512	16,450	19,444
Community		382	339	1,236	2,685	2,355	2,355	4,680	778	1,050
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	2,440	3,215	3,215	2,338	2,240	1,585
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	31,151	37,167	25,464	40,142	40,965	40,965	28,114	21,857	24,832
Infrastructure - Road transport		18,668	33,050	32,162	18,220	18,939	18,939	20,140	20,400	24,300
Infrastructure - Electricity		27,100	38,601	159,044	8,165	22,161	22,161	8,380	24,056	30,580
Infrastructure - Water		12,003	13,489	17,335	13,730	15,624	15,624	13,275	13,040	13,000
Infrastructure - Sanitation		60	1,597	2,206	3,460	1,947	1,947	2,310	170	2,450
Infrastructure - Other		88,982	123,904	236,211	83,717	99,637	99,637	72,219	79,523	95,162
Infrastructure		5,826	10,321	10,377	7,100	6,171	6,171	14,191	6,473	2,202
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	5,693	11,879	13,950	27,204	42,972	42,972	35,090	17,580	15,137
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	100,502	146,105	260,538	118,021	148,780	148,780	121,500	103,575	112,501
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport	5	86,776	99,447	154,890	94,841	97,656	97,656	94,926	92,126	88,943
Infrastructure - Electricity		89,064	100,920	131,891	97,341	98,280	98,280	97,429	92,714	89,511
Infrastructure - Water		106,700	123,940	304,946	249,894	253,544	253,544	250,120	239,184	230,922
Infrastructure - Sanitation		65,311	74,073	87,392	71,381	71,471	71,471	71,446	67,424	65,094
Infrastructure - Other		30,727	35,447	19,265	33,583	39,220	39,220	33,613	36,999	35,721
Infrastructure		378,578	433,828	698,383	547,040	560,771	560,771	547,534	528,446	510,197
Community		55,865	63,800	56,414	47,644	52,423	52,423	47,687	49,454	47,746
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		503,158	413,143	714,489	505,918	505,918	505,918	750,000	690,000	720,000
Other assets		425,297	482,826	338,179	458,168	462,668	462,668	458,582	436,465	421,387
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		442	287	67	832	832	832	50	45	40
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	1,363,339	1,393,884	1,807,532	1,559,603	1,582,013	1,582,013	1,803,854	1,704,411	1,699,364
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		23,068	25,887	32,221	38,298	39,442	39,442	48,704	53,333	56,093
Repairs and Maintenance by Asset Class	3	37,152	33,735	32,742	45,007	48,817	48,686	46,306	46,886	50,220
Infrastructure - Road transport		748	828	804	1,000	815	825	861	926	977
Infrastructure - Electricity		4,987	5,689	5,964	7,739	9,508	9,362	9,620	8,360	8,976
Infrastructure - Water		736	969	785	1,256	997	1,097	1,487	1,573	1,692
Infrastructure - Sanitation		2,127	1,731	1,659	2,393	2,597	2,588	2,535	2,681	2,842
Infrastructure - Other		3,532	4,078	4,000	3,751	3,753	3,700	4,171	4,350	4,655
Infrastructure		12,130	13,296	13,212	16,138	17,670	17,572	18,674	17,890	19,147
Community		7,566	7,384	9,743	12,406	13,120	13,136	7,934	8,347	8,924
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	17,456	13,055	9,787	16,463	18,026	17,978	19,698	20,648	22,155
TOTAL EXPENDITURE OTHER ITEMS		60,220	59,622	64,963	83,305	88,259	88,128	95,010	100,219	106,313
Renewal of Existing Assets as % of total capex		13.5%	20.1%	6.2%	11.3%	9.7%	9.7%	14.4%	18.8%	19.6%
Renewal of Existing Assets as % of deprecn"		58.7%	113.3%	50.2%	34.9%	36.5%	36.5%	36.0%	36.5%	39.4%
R&M as a % of PPE		4.3%	3.4%	3.0%	4.3%	4.5%	4.5%	4.4%	4.6%	5.1%
Renewal and R&M as a % of PPE		4.0%	5.0%	3.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

6.10. Basic service delivery measurement

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Household service targets	1									
Water:										
Piped water inside dwelling		25,992	25,568	29,986	29,986	29,986	29,986	30,400	30,700	30,800
Piped water inside yard (but not in dwelling)		5,700	5,700	5,700	5,100	5,100	5,100	4,500	4,100	3,900
Using public tap (at least min.service level)	2	860	860	650	650	650	650	500	300	300
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		32,552	32,128	36,336	35,736	35,736	35,736	35,400	35,100	35,000
Using public tap (< min.service level)	3	300	300	-	300	300	300	250	240	200
Other water supply (< min.service level)	4	220	220	-	220	220	220	210	210	200
No water supply		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		520	520	-	520	520	520	460	450	400
Total number of households	5	33,072	32,648	36,336	36,256	36,256	36,256	35,860	35,550	35,400
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		18,948	21,511	23,054	24,956	24,956	24,956	25,300	26,000	26,500
Flush toilet (with septic tank)		5,589	5,910	5,030	5,030	5,030	5,030	3,000	2,000	1,000
Chemical toilet	1	1	1	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>		24,538	27,422	28,084	29,986	29,986	29,986	28,300	28,000	27,500
Bucket toilet		600	600	550	500	500	500	500	350	250
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-
No toilet provisions		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		600	600	550	500	500	500	500	350	250
Total number of households	5	25,138	28,022	28,634	30,486	30,486	30,486	28,800	28,350	27,750
Energy:										
Electricity (at least min.service level)		6,787	6,666	5,357	5,211	5,211	5,211	5,200	5,150	5,000
Electricity - prepaid (min.service level)		22,747	23,153	24,250	24,837	24,837	24,837	25,000	25,500	25,600
<i>Minimum Service Level and Above sub-total</i>		29,534	29,819	29,607	30,048	30,048	30,048	30,200	30,650	30,600
Electricity (< min.service level)		-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-
Other energy sources		480	480	-	480	480	480	480	480	480
<i>Below Minimum Service Level sub-total</i>		480	480	-	480	480	480	480	480	480
Total number of households	5	30,014	30,299	29,607	30,528	30,528	30,528	30,680	31,130	31,080
Refuse:										
Removed at least once a week		26,924	22,687	28,655	29,682	28,682	29,682	23,000	23,300	23,500
<i>Minimum Service Level and Above sub-total</i>		26,924	22,687	28,655	29,682	28,682	29,682	23,000	23,300	23,500
Removed less frequently than once a week		-	-	-	-	-	-	-	-	-
Using communal refuse dump		100	158	-	158	158	158	180	210	210
Using own refuse dump		-	-	-	-	-	-	-	-	-
Other rubbish disposal		-	-	-	-	-	-	-	-	-
No rubbish disposal		-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>		100	158	-	158	158	158	180	210	210
Total number of households	5	27,024	22,845	28,655	29,840	28,840	29,840	23,180	23,510	23,710
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)		25,733	35,597	29,986	29,986	29,986	29,986	30,400	30,700	30,800
Sanitation (free minimum level service)		7,934	7,608	5,962	6,334	6,334	6,334	6,500	7,000	7,500
Electricity/other energy (50kwh per household per month)		24,651	26,073	24,771	25,112	25,112	25,112	25,000	25,500	25,600
Refuse (removed at least once a week)		8,184	9,757	6,953	7,315	7,315	7,315	7,500	7,700	7,800
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)		5,999	6,665	3,315	6,737	6,737	6,737	7,074	7,428	7,780
Water (basic charge)		6,988	6,800	10,472	10,607	10,607	10,409	10,929	114,796	12,050
Sanitation (free sanitation service)		10,617	10,393	10,821	15,874	15,874	10,875	114,187	11,990	12,589
Electricity/other energy (50kwh per household per month)		1,524	4,671	5,625	6,737	6,737	6,737	7,411	8,152	8,967
Refuse (removed once a week)		5,602	6,373	6,962	7,921	7,921	7,711	7,470	7,844	8,236
Total cost of FBS provided (minimum social package)		30,729	34,902	37,195	47,877	47,877	42,470	147,072	150,210	49,622
Highest level of free service provided										
Property rates (R value threshold)		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)	146	146	154	146	146	146	146	146	146	146
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)	61	61	66	66	66	66	66	66	66	66
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		1,442	1,719	1,078	1,214	1,214	1,214	1,275	1,339	1,406
Property rates (other exemptions, reductions and rebates)		3,492	1,848	2,404	2,612	2,612	3,005	3,155	3,313	3,478
Water		126,987	13,465	13,787	17,345	17,345	17,146	18,004	18,904	19,849
Sanitation		10,617	10,393	10,821	15,874	15,874	10,875	11,419	11,990	12,589
Electricity/other energy		1,524	4,671	5,625	6,737	6,737	6,737	7,411	8,152	8,967
Refuse		5,602	6,373	6,962	7,921	7,921	7,711	7,470	7,844	8,236
Municipal Housing - rental rebates		384	344	331	332	332	308	293	264	237
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	150,047	38,812	41,007	52,035	52,035	46,998	49,027	51,805	54,763

6.11. Other supporting tables / graphs

CASH BUDGET

The following schedule shows the Cash Budget of the operating revenue per source and expenditure per type for the 2012/13 budget year:

TYPE CODE	TYPE	TOTAL	% of total income/exp budget	NON-CASH Transactions	Departmental Costs	Transfers out (Contra)	TOTAL CASH BUDGET	% of total income/exp budget
2012/2013								
INCOME								
56	Property Rates	(82,126,573)	11.3%		390,965	3,001,987	(78,733,621)	13.2%
58	Penalties Imposed And Collection Charges	(2,000,000)	0.3%				(2,000,000)	0.3%
62	Service Charges	(481,586,129)	66.1%		25,888,959	48,061,852	(407,635,318)	68.2%
66	Rent of Facilities and Equipment	(4,629,044)	0.6%				(4,629,044)	0.8%
68	Interest Earned - External Investments	(14,104,320)	1.9%	-			(14,104,320)	2.4%
72	Interest Earned - Outstanding Debtors	(291,400)	0.0%				(291,400)	0.0%
76	Fines	(6,060,750)	0.8%				(6,060,750)	1.0%
78	Licenses and Permits	(4,840,500)	0.7%				(4,840,500)	0.8%
82	Grants & Subsidies Received - Operating	(67,992,424)	9.3%				(67,992,424)	11.4%
83	Grants & Subsidies Received - Capital	(46,152,716)	6.3%	46,152,716			-	0.0%
84	Other Revenue	(21,758,213)	3.0%	4,583,094		6,000,000	(11,175,119)	1.9%
85	Public Contr & Donated Property, Plant & E	-	0.0%				-	0.0%
86	Gains on Disposal Of Property, Plant & E	(22,500)	0.0%	22,500		-	-	0.0%
OPERATING INCOME GENERATED		(731,564,569)		50,758,310	26,279,924	57,063,839	(597,462,496)	
88	Less Revenue Foregone	3,001,987	-0.4%			(3,001,987)	-	0.0%
TOTAL OPERATING INCOME		(728,562,582)	100.0%	50,758,310	26,279,924	54,061,852	(597,462,496)	100.0%
EXPENDITURE								
2	Employee Related Costs	179,173,327	26.0%		-		179,173,327	30.0%
4	Less Employee Costs Capitalised	(1,180,000)	-0.2%				(1,180,000)	-0.2%
6	Less Empl Costs Alloc To Other Operating	-	0.0%		-		-	0.0%
8	Remuneration Of Councillors	8,428,321	1.2%				8,428,321	1.4%
10	Bad Debts	-	0.0%				-	0.0%
12	Collection Costs	6,600,000	1.0%				6,600,000	1.1%
14	General Expenses - Bulk Purchases	194,696,370	28.2%				194,696,370	32.6%
16	General Expenses - Contracted Services	30,931,281	4.5%				30,931,281	5.2%
18	General Expenses - Grants & Subsidies Pa	5,500,392	0.8%			(4,545,392)	955,000	0.2%
20	General Expenses - Other	106,052,937	15.4%	(1,500,000)	(26,279,924)	-	78,273,013	13.1%
22	Repairs & Maintenance - Municipal Assets	43,112,530	6.2%				43,112,530	7.2%
24	Depreciation - Property, Plant & Equip	47,573,602	6.9%				47,573,602	8.0%
26	Depreciation - Leased Property Plant & E	1,116,655	0.2%				1,116,655	0.2%
27	Amortisation - Intangible Assets	13,999	0.0%				13,999	0.0%
28	Interest Expense - External Borrowings	2,949,092	0.4%				2,949,092	0.5%
30	Disposal Of Property, Plant & Equipment	348,000	0.1%	(348,000)			-	0.0%
32	Contributions From Operating To Capital	-	0.0%				-	0.0%
34	Contributions To / From Provisions & Res	25,801,957	3.7%	(10,487,457)		(10,000,000)	5,314,500	0.9%
44	Interdepartmental Charges And Recoveries	(511,000)	-0.1%				(511,000)	-0.1%
48	Other Adjustments & Transfers [Appropria	39,516,460	5.7%			(39,516,460)	-	0.0%
DIRECT OPERATING EXPENDITURE		690,123,923		(12,335,457)	(26,279,924)	(54,061,852)	597,446,690	
INTERNAL CHARGES								
	Admin-Internal Charges (DR)	22,074,276	3.2%				22,074,276	3.7%
	Admin-Internal Recovery (CR)	(22,074,276)	-3.2%				(22,074,276)	-3.7%
TOTAL OPERATING EXPENDITURE		690,123,924	100.0%	(12,335,457)	(26,279,924)	(54,061,852)	597,446,691	100.0%
OPERATING (SURPLUS)/DEFICIT		(38,438,658)		38,422,853	-	-	(15,805)	

The following schedule shows the Cash Budget of the operating revenue per source and expenditure per type for the 2013/14 projected budget year:

TYPE CODE	TYPE	TOTAL	% of total income/exp budget	NON-CASH Transactions	Departmental Costs	Transfers out (Contra)	TOTAL CASH BUDGET	% of total income/exp budget
2013/2014								
INCOME								
56	Property Rates	(89,989,085)	11.9%		422,242	3,272,166	(86,294,677)	13.6%
58	Penalties Imposed And Collection Charges	(2,100,000)	0.3%				(2,100,000)	0.3%
62	Service Charges	(526,283,682)	69.6%		27,899,843	51,490,936	(446,892,903)	70.3%
66	Rent of Facilities and Equipment	(5,160,301)	0.7%				(5,160,301)	0.8%
68	Interest Earned - External Investments	(14,371,406)	1.9%	-			(14,371,406)	2.3%
72	Interest Earned - Outstanding Debtors	(308,656)	0.0%				(308,656)	0.0%
76	Fines	(7,266,603)	1.0%				(7,266,603)	1.1%
78	Licenses and Permits	(5,309,230)	0.7%				(5,309,230)	0.8%
82	Grants & Subsidies Received - Operating	(54,064,428)	7.1%				(54,064,428)	8.5%
83	Grants & Subsidies Received - Capital	(28,765,789)	3.8%	28,765,789			-	0.0%
84	Other Revenue	(25,801,932)	3.4%	5,321,315		7,000,000	(13,480,617)	2.1%
85	Public Contr & Donated Property, Plant &	-	0.0%				-	0.0%
86	Gains on Disposal Of Property, Plant & E	(27,000)	0.0%	27,000		-	-	0.0%
OPERATING INCOME GENERATED		(759,448,112)		34,114,104	28,322,085	61,763,102	(635,248,821)	
88	Less Revenue Foregone	3,272,166	-0.4%			(3,272,166)	-	0.0%
TOTAL OPERATING INCOME		(756,175,946)	100.0%	34,114,104	28,322,085	58,490,936	(635,248,821)	100.0%
EXPENDITURE								
2	Employee Related Costs	191,947,521	26.1%		-		191,947,521	30.2%
4	Less Employee Costs Capitalised	(1,241,200)	-0.2%				(1,241,200)	-0.2%
6	Less Empl Costs Alloc To Other Operating	-	0.0%		-		-	0.0%
8	Remuneration Of Councillors	8,934,021	1.2%				8,934,021	1.4%
10	Bad Debts	-	0.0%				-	0.0%
12	Collection Costs	6,930,000	0.9%				6,930,000	1.1%
14	General Expenses - Bulk Purchases	223,270,825	30.3%				223,270,825	35.1%
16	General Expenses - Contracted Services	32,772,470	4.5%				32,772,470	5.2%
18	General Expenses - Grants & Subsidies Pa	6,236,656	0.8%			(5,221,656)	1,015,000	0.2%
20	General Expenses - Other	96,959,054	13.2%	(1,680,000)	(28,322,085)	-	66,956,969	10.5%
22	Repairs & Maintenance - Municipal Assets	43,646,846	5.9%				43,646,846	6.9%
24	Depreciation - Property, Plant & Equip	52,393,390	7.1%				52,393,390	8.2%
26	Depreciation - Leased Property Plant & E	925,748	0.1%				925,748	0.1%
27	Amortisation - Intangible Assets	14,051	0.0%				14,051	0.0%
28	Interest Expense - External Borrowings	2,728,271	0.4%				2,728,271	0.4%
30	Disposal Of Property, Plant & Equipment	348,000	0.0%	(348,000)			-	0.0%
32	Contributions From Operating To Capital	-	0.0%				-	0.0%
34	Contributions To / From Provisions & Res	28,708,745	3.9%	(11,804,058)		(11,500,000)	5,404,687	0.9%
44	Interdepartmental Charges And Recoveries	(485,452)	-0.1%				(485,452)	-0.1%
48	Other Adjustments & Transfers [Appropria	41,769,280	5.7%			(41,769,280)	-	0.0%
DIRECT OPERATING EXPENDITURE		735,858,226		(13,832,058)	(28,322,085)	(58,490,936)	635,213,147	
INTERNAL CHARGES								
	Admin-Internal Charges (DR)	24,502,445	3.3%				24,502,445	3.9%
	Admin-Internal Recovery (CR)	(24,502,447)	-3.3%				(24,502,447)	-3.9%
TOTAL OPERATING EXPENDITURE		735,858,224	100.0%	(13,832,058)	(28,322,085)	(58,490,936)	635,213,145	100.0%
OPERATING (SURPLUS)/DEFICIT		(20,317,722)		20,282,046	-	-	(35,676)	

The following schedule shows the Cash Budget of the operating revenue per source and expenditure per type for the 2014/15 projected budget year:

TYPE CODE	TYPE	TOTAL	% of total income/exp budget	NON-CASH Transactions	Departmental Costs	Transfers out (Contra)	TOTAL CASH BUDGET	% of total income/exp budget
2014/2015								
INCOME								
56	Property Rates	(99,477,427)	11.9%		460,244	3,599,383	(95,417,800)	13.7%
58	Penalties Imposed And Collection Charges	(2,247,000)	0.3%				(2,247,000)	0.3%
62	Service Charges	(578,893,935)	69.2%		31,034,630	57,183,920	(490,675,385)	70.3%
66	Rent of Facilities and Equipment	(5,789,862)	0.7%				(5,789,862)	0.8%
68	Interest Earned - External Investments	(13,607,386)	1.6%	-			(13,607,386)	1.9%
72	Interest Earned - Outstanding Debtors	(296,428)	0.0%				(296,428)	0.0%
76	Fines	(8,712,792)	1.0%				(8,712,792)	1.2%
78	Licenses and Permits	(5,938,628)	0.7%				(5,938,628)	0.9%
82	Grants & Subsidies Received - Operating	(59,480,870)	7.1%				(59,480,870)	8.5%
83	Grants & Subsidies Received - Capital	(35,385,087)	4.2%	35,385,087			-	0.0%
84	Other Revenue	(29,737,466)	3.6%	5,639,431		8,180,000	(15,918,035)	2.3%
85	Public Contr & Donated Property, Plant &	-	0.0%				-	0.0%
86	Gains on Disposal Of Property, Plant & E	(33,750)	0.0%	33,750		-	-	0.0%
OPERATING INCOME GENERATED		(839,600,631)		41,058,268	31,494,874	68,963,303	(698,084,186)	
88	Less Revenue Foregone	3,599,383	-0.4%			(3,599,383)	-	0.0%
TOTAL OPERATING INCOME		(836,001,248)	100.0%	41,058,268	31,494,874	65,363,920	(698,084,186)	100.0%
EXPENDITURE								
2	Employee Related Costs	206,666,455	25.5%		-		206,666,455	29.6%
4	Less Employee Costs Capitalised	(1,288,516)	-0.2%				(1,288,516)	-0.2%
6	Less Empl Costs Alloc To Other Operating	-	0.0%				-	0.0%
8	Remuneration Of Councillors	9,380,722	1.2%				9,380,722	1.3%
10	Bad Debts	-	0.0%				-	0.0%
12	Collection Costs	7,415,100	0.9%				7,415,100	1.1%
14	General Expenses - Bulk Purchases	255,822,449	31.6%				255,822,449	36.6%
16	General Expenses - Contracted Services	35,361,639	4.4%				35,361,639	5.1%
18	General Expenses - Grants & Subsidies Pa	6,889,120	0.9%			(5,794,120)	1,095,000	0.2%
20	General Expenses - Other	106,401,154	13.1%	(1,848,000)	(31,494,874)	-	73,058,280	10.5%
22	Repairs & Maintenance - Municipal Assets	46,796,035	5.8%				46,796,035	6.7%
24	Depreciation - Property, Plant & Equip	55,556,982	6.9%				55,556,982	8.0%
26	Depreciation - Leased Property Plant & E	522,038	0.1%				522,038	0.1%
27	Amortisation - Intangible Assets	14,013	0.0%				14,013	0.0%
28	Interest Expense - External Borrowings	2,575,906	0.3%				2,575,906	0.4%
30	Disposal Of Property, Plant & Equipment	348,000	0.0%	(348,000)			-	0.0%
32	Contributions From Operating To Capital	-	0.0%				-	0.0%
34	Contributions To / From Provisions & Res	32,018,668	4.0%	(13,268,606)		(13,225,000)	5,525,062	0.8%
44	Interdepartmental Charges And Recoveries	(451,470)	-0.1%				(451,470)	-0.1%
48	Other Adjustments & Transfers [Appropri	45,164,800	5.6%			(45,164,800)	-	0.0%
DIRECT OPERATING EXPENDITURE		809,193,095		(15,464,606)	(31,494,874)	(64,183,920)	698,049,695	
INTERNAL CHARGES								
	Admin-Internal Charges (DR)	26,952,693	3.3%				26,952,693	3.9%
	Admin-Internal Recovery (CR)	(26,952,693)	-3.3%				(26,952,693)	-3.9%
TOTAL OPERATING EXPENDITURE		809,193,095	100.0%	(15,464,606)	(31,494,874)	(64,183,920)	698,049,695	100.0%
OPERATING (SURPLUS)/DEFICIT		(26,808,153)		25,593,662	-	1,180,000	(34,491)	

OPERATING BUDGET PER ITEM

The following schedule shows the operating revenue and expenditure per item for current financial year as well as the 2012/13 MTREF period:

ITEM CODE	ITEM	2010-11	2011-12		2012-2013	2013-2014	2014-2015
		ACTUAL	BUDGET	ADJUSTED BUDGET	BUDGET	BUDGET	BUDGET
2 Employee Related Costs							
10	Allowance-Acting	613,221	630,000	953,850	675,000	702,000	723,060
20	Allowance-Cashiers	22,300	22,725	25,125	26,100	28,710	28,998
30	Allowance - Entertainment	-	-	-	-	-	-
40	Allowance-Housing Subsidy	892,131	1,221,796	1,214,541	1,171,178	1,218,026	1,266,750
43	Allowance-Locomotion-Bus	211,229	215,040	216,384	196,992	200,933	208,972
44	Allowance-Locomotion-Claims	627,899	530,282	695,548	451,530	474,107	488,331
45	Allowance-Locomotion-Fixed	2,713,769	3,104,059	3,447,693	3,840,072	4,070,478	4,721,754
50	Allowance-Other	1,746,254	1,595,974	1,761,997	1,758,666	1,872,979	2,000,341
125	Bonuses	7,638,781	8,521,209	8,431,866	9,044,796	9,614,616	10,287,642
250	Contract Workers	584,725	1,691,676	1,694,476	2,158,300	2,601,126	3,119,373
260	Contributions-Med. Aid Fund	7,621,427	10,027,555	9,470,729	9,545,626	10,404,732	11,549,253
265	Contributions-Pension Fund	11,890,202	14,139,315	13,872,284	15,402,348	17,250,628	19,320,703
270	Contributions-Provident Fund	2,301,022	3,822,611	3,541,085	3,834,721	3,873,069	3,989,262
290	Ex Gratia Pensions	-	-	-	-	-	-
295	Executive Packages	6,772,318	7,273,634	7,273,634	7,243,694	7,714,533	8,331,697
330	Group Life Insurance	2,130,381	3,034,008	2,950,995	2,903,475	3,135,755	3,323,904
380	Leave Pay	-	-	-	-	-	-
381	Long Service Bonus	-	-	-	-	-	-
405	Overtime Pay	6,283,301	6,538,176	5,577,899	5,939,140	6,354,880	6,926,823
420	Protective Clothing & Uniforms	666,851	856,090	877,090	933,246	1,063,900	1,138,375
430	Salaries	87,823,687	102,306,747	99,932,035	109,021,936	116,108,361	123,655,404
445	Standby	2,078,623	2,122,000	2,126,000	1,889,286	1,964,857	2,082,748
460	Temporary/Casual Staff	1,948,175	987,500	1,655,300	1,054,000	1,085,620	1,118,194
465	Unemployment Insurance Fund	807,992	925,467	967,170	968,186	1,026,276	1,108,381
480	Wages	-	-	-	-	-	-
485	Workman's Compensation	1,073,108	1,091,939	1,091,939	1,115,035	1,181,935	1,276,490
SUB-TOTAL		146,447,396	170,657,803	167,777,640	179,173,327	191,947,521	206,666,455
4 Less Employee Costs Capitalised							
530	Empl Cost to Capital-Salaries	(81,871)	(1,317,500)	(1,317,500)	(960,000)	(1,008,000)	(1,048,320)
535	Empl Cost to Capital-Wages	(796,968)	(391,750)	(391,750)	(220,000)	(233,200)	(240,196)
SUB-TOTAL		(878,839)	(1,709,250)	(1,709,250)	(1,180,000)	(1,241,200)	(1,288,516)
6 Less Employee Costs Alloc to Other Operating							
543	Empl Cost to OperDept-Salaries	-	-	-	-	-	-
545	Empl Cost to Oper Dept-Wages	-	-	-	-	-	-
SUB-TOTAL		-	-	-	-	-	-
8 Remuneration Of Councillors							
550	Councillors Remun-Allowances	5,930,277	6,985,047	7,859,142	7,926,344	8,401,925	8,822,021
551	Council Remun-Office Allow.	-	-	-	-	-	-
552	Council Remun-Pension Fund	-	-	-	-	-	-
553	Council Remun-Travel Allow.	1,049	50,000	56,312	100,000	106,000	111,300
554	Council Remun-Telephone Allow	303,581	368,540	373,932	401,977	426,096	447,401
556	Council Remun-Housing Allow	-	-	-	-	-	-
558	Council Remun-Med. Aid Fund	-	-	-	-	-	-
SUB-TOTAL		6,234,907	7,403,587	8,289,386	8,428,321	8,934,021	9,380,722
10 Bad Debts							
560	Bad Debt	-	-	-	-	-	-
SUB-TOTAL		-	-	-	-	-	-
12 Collection Costs							
570	Collection Costs	4,728,181	4,900,000	5,942,145	6,600,000	6,930,000	7,415,100
SUB-TOTAL		4,728,181	4,900,000	5,942,145	6,600,000	6,930,000	7,415,100
14 General Expenses - Bulk Purchases							
580	Bulk Purchases-Electricity	125,374,428	157,017,216	160,437,330	182,096,370	209,410,825	240,822,449
585	Bulk Purchases-Water	16,581,088	10,000,000	10,000,000	12,600,000	13,860,000	15,000,000
SUB-TOTAL		141,955,515	167,017,216	170,437,330	194,696,370	223,270,825	255,822,449

ITEM CODE	ITEM	2010-11	2011-12		2012-2013 BUDGET	2013-2014 BUDGET	2014-2015 BUDGET
		ACTUAL	BUDGET	ADJUSTED BUDGET			
16 General Expenses - Contracted Services							
610	Agency Paym-Account Print	430,302	525,000	673,934	586,556	645,212	709,733
611	AMR System	271,300	360,000	300,000	330,000	336,600	356,796
613	Agency payments - Beautification of CBI	-	60,000	60,000	40,000	42,800	45,368
614	Agency Payments - Cash Transit	186,889	221,000	233,965	210,973	236,290	257,556
615	Agency Payments-Cleansing Serv	2,080,776	2,065,000	2,748,038	2,100,000	2,352,000	2,610,720
616	Agency Payment-Cut of Grass	3,875,403	4,550,000	4,535,429	4,180,000	4,347,200	4,738,448
617	Agency Payments - Desalination Plant	-	4,757,044	3,000,000	4,559,150	4,787,108	5,122,206
620	Agency Payments-Gardening Serv	64,022	220,000	150,000	180,000	199,800	223,776
622	Agency Paym-Info Sys Maint	184,542	265,000	265,000	345,000	358,800	383,916
625	Agency Paym-Internal Auditors	815,464	962,500	959,610	1,058,750	1,143,450	1,234,927
626	Agency Payments-life Saving	889,345	920,000	920,000	980,000	1,058,400	1,132,488
630	Agency Paym-Meter Readings	911,735	1,105,500	1,050,000	1,162,400	1,197,272	1,281,081
635	Agency Paym-Prepaid System	4,062,861	5,400,000	5,300,000	5,700,000	5,985,000	6,403,950
640	Agency Paym-Refuse Recycling	80,525	200,000	100,000	200,000	224,000	250,880
645	Agency Paym-Refuse Removal	3,163,944	3,500,000	3,300,000	3,600,000	3,852,000	4,160,160
649	Agency Payments - R.O. Plant	2,499,734	3,180,247	3,000,000	2,933,268	3,079,931	3,326,325
650	Agency Payments-Sanitation Ser	1,021,921	1,393,000	750,000	800,000	864,000	915,840
655	Agency Paym-Security Services	1,246,669	1,042,434	867,866	979,322	1,008,701	1,059,135
660	Agency Paym-Transport Co.	137,597	326,955	362,467	330,862	347,406	368,253
665	Agency Paym-Add.Valuations	241,510	400,000	400,000	420,000	457,800	508,158
666	Agency Payment-Washing Linen	36,595	40,000	35,000	40,000	42,000	46,620
690	Concessionary Fees- Indigent	145,272	185,000	192,340	195,000	206,700	225,303
SUB-TOTAL		22,346,405	31,678,680	29,203,649	30,931,281	32,772,470	35,361,639

18 General Expenses - Grants & Subsidies Pa							
703	Grants & Donations-Public	559,839	550,000	550,000	650,000	695,500	751,140
710	Grant In Aid-Assessment Rates	-	-	-	-	-	-
712	Grants & Donations - District	-	-	15,000	15,000	15,000	15,000
713	Grant In Aid-Services	2,243,596	3,432,000	2,210,000	4,545,392	5,221,656	5,794,120
714	Sub: Benefit Discount Scheme	330,864	331,686	310,757	290,000	304,500	328,860
SUB-TOTAL		3,134,299	4,313,686	3,085,757	5,500,392	6,236,656	6,889,120

20 General Expenses - Other							
730	Advertising	1,105,515	1,084,100	1,346,485	1,206,260	1,254,510	1,367,416
735	Allowances-Adhoc Comm Members	108,452	90,000	91,255	90,000	94,500	100,170
736	Actuarial Loss	3,715,119	-	2,500,000	1,500,000	1,680,000	1,848,000
737	Animal Feed	31,574	50,000	50,000	55,000	58,300	62,964
740	Audit Fees-External Auditors	2,552,686	2,630,000	2,630,000	3,043,700	3,195,885	3,483,515
755	Bank Charges	2,005,560	2,165,000	1,970,033	2,223,065	2,334,217	2,474,270
760	Books,Magazines & Publications	366	13,550	10,250	22,960	26,404	28,517
761	Blue Flag Training	-	-	11,000	11,000	11,990	12,949
764	Bursary Scheme	64,827	75,000	75,000	75,000	81,000	86,670
765	Bush & Weed Clearing	902,062	600,000	783,452	645,300	696,924	759,647
772	Cleaner Cities & Towns	162,872	-	-	-	-	-
773	Community Meetings	-	-	-	-	-	-
780	Conferences & Seminars	47,017	88,500	108,961	108,000	113,400	120,205
785	Consultant Fees-Empl Equity	-	-	-	-	-	-
790	Consultant Fees-General	1,628,496	1,665,000	1,268,655	2,385,158	2,467,574	2,652,815
793	Consultant Fees-Marketing	-	-	-	-	-	-
795	Consultant Fees-Planning/IDP	-	-	-	-	-	-
796	Consultant Fees-Personnel	67,503	50,000	8,600	30,000	33,000	35,640
805	Contract Work-General	3,997,160	7,012,600	7,860,482	4,832,138	4,531,118	4,995,500
806	Contract Charges - Street Ligh	113,442	152,400	168,045	203,196	221,484	239,203
807	Contract Charges Electricity	701,815	858,330	698,215	995,831	1,055,581	1,140,025
808	Contract Charges Water	7,629	9,690	7,747	10,362	11,191	11,974
812	Disciplinary Costs	57,747	125,000	235,000	135,000	148,500	161,865
813	Desalination Plant-PetroSA	64,010,540	-	6,120,000	-	-	-
850	Home Ownership Education	29,556	50,000	54,284	50,000	55,000	60,500
860	Employee's Assistance Program	400	25,000	15,000	30,000	33,000	35,640
865	Entertainment-Public	38,963	58,500	84,500	80,000	85,600	93,306
866	EPWP - Incentive	-	-	2,656,000	-	-	-
868	Fire-Breaks	47,700	75,000	50,000	50,000	52,500	57,225
870	Fuel & Oil	4,216,197	5,331,800	5,097,247	5,791,550	6,081,128	6,628,436
875	Festive Lights	53,557	80,000	70,000	70,000	75,600	82,404
890	Higiene / Hygiene	21,988	73,413	63,884	77,234	84,958	91,755
895	Hire Charges-Television Sets	-	-	-	-	-	-
900	Hire Charges-Toilets	102,003	59,500	91,000	89,800	95,188	101,851
905	Hire Charges-Trip Meters	-	-	-	-	-	-
914	Housing: Community Residential Units	-	-	1,427,120	-	-	-
915	Hire Charges-Office Equipment	-	-	-	-	-	-
916	Housing:Top Structures	20,562,707	26,872,000	32,932,431	18,251,600	5,470,000	6,344,000
917	Impairment on Investments	-	-	-	-	-	-
918	Houses for resale-Written off	699,630	950,000	4,079,009	-	-	-
919	Housing:Top Str-Dalmeida/Kwa	778,072	1,200,000	1,200,000	1,600,000	-	-
920	Industrial/Tourism-Sect.21 Co.	2,605,518	2,814,322	2,814,322	1,895,240	2,179,526	2,342,990

ITEM CODE	ITEM	2010-11	2011-12		2012-2013	2013-2014	2014-2015
		ACTUAL	BUDGET	ADJUSTED BUDGET	BUDGET	BUDGET	BUDGET
921	IDP Planning	26,169	30,000	30,000	90,000	100,800	106,848
925	Insurance Expenses	2,060,558	2,523,132	2,131,758	2,223,067	2,334,221	2,520,958
926	Insurance Excess Payments	84,094	82,500	102,200	61,620	66,550	71,209
930	Interviewing	67,208	80,000	70,000	70,000	76,300	83,167
935	Inventory Items	372,527	345,150	310,850	317,966	346,583	370,845
936	Land Surveying	-	-	-	-	-	-
940	Lease Charges-Equipment	-	-	-	-	-	-
942	Lease Charges-Vehicles	-	-	-	-	-	-
945	Legal Costs	1,429,215	1,700,000	1,700,000	1,000,000	1,100,000	1,199,000
950	Levy-Bargaining Council	39,143	42,939	49,148	44,114	47,648	50,979
955	Levy-D.M.:Establishment	-	-	-	-	-	-
960	Levy-D.M.:Services	-	-	-	-	-	-
970	Levy-Skills Development(SETA)	1,226,680	1,547,750	1,547,750	1,792,000	1,935,360	2,109,542
975	Levy-Water Research:DWAF	280,620	450,000	450,000	450,000	472,500	510,300
980	Levy-Water Catchmt Man:DWAF	538,463	500,000	500,000	525,000	572,250	623,753
983	Licence Fees-Radios	28,125	34,300	28,910	44,000	46,640	50,371
985	Licence Fees-Vehicles	270,121	372,775	350,921	400,074	432,080	470,966
986	Linen	33,078	-	-	35,000	38,500	42,350
990	Local Economic Development	760,241	750,000	555,700	520,000	561,600	606,528
995	Lost Books	10,919	9,250	9,250	10,250	11,480	12,743
1005	Materials & Stores-Chemicals	6,348,050	8,546,495	8,559,626	8,949,500	9,396,975	10,327,276
1010	Materials & Stores-General	1,524,839	1,619,280	1,672,855	1,718,530	1,804,457	1,948,812
1015	Materials & Stores-Med. Stock	-	-	-	-	-	-
1020	Mayor's Public Expenses	-	-	-	-	-	-
1025	Medical Tests	15,324	100,000	57,000	77,000	81,620	88,149
1035	Municipal Charges-Electricity	15,036,368	19,464,211	18,508,196	22,831,872	24,589,926	27,516,128
1040	Municipal Charges-Rates	345,316	372,941	343,568	390,965	422,242	460,244
1045	Municipal Charges-Refuse	212,317	243,628	225,373	260,678	284,138	306,867
1050	Municipal Charges-Sewerage	295,715	319,371	260,701	306,006	330,486	356,924
1055	Municipal Charges-Water	479,070	199,348	561,555	565,404	616,293	671,761
1065	Newsletters	17,663	15,616	22,028	24,000	26,160	28,252
1075	Pew feeding Scheme-Kwasiorokor	-	-	-	-	-	-
1080	Pauper Burials	2,286	15,000	4,200	15,000	16,500	17,985
1081	Personnel Job Evaluations	29,216	100,000	60,000	50,000	53,000	56,710
1085	Pest Control	195,909	218,834	253,845	271,032	290,004	316,103
1090	Photographs-Civic	4,455	10,000	8,700	7,000	7,700	8,624
1095	Postage, Rev Stamps & PO Box	1,274,802	1,711,010	1,723,145	1,475,100	1,548,855	1,641,788
1100	Printing & Stationary	1,125,936	1,297,300	1,448,271	1,449,365	1,521,833	1,613,145
1101	Projects	170,747	170,000	160,000	320,000	345,600	380,160
1105	Public Functions	172,971	200,000	205,000	212,000	231,080	251,877
1110	Publicity	306,631	512,000	330,241	462,000	503,580	548,902
1115	Railage	-	-	-	-	-	-
1125	Refreshments	157,207	170,000	174,000	180,000	196,200	211,896
1126	Refund Deposits	1,450	5,000	1,000	-	-	-
1130	Refuse Bags	866,927	1,207,000	1,275,097	1,407,000	1,519,560	1,656,320
1135	Refuse Bins	21,746	15,000	8,500	15,600	17,160	18,705
1140	Refuse Tip Site-External	2,006,864	2,500,000	1,950,000	2,600,000	2,730,000	2,975,700
1150	Relocation Expenses	50,781	100,000	50,000	80,000	86,400	94,176
1151	Relief/Charitable Expenses	76,456	95,000	189,708	85,000	92,650	100,062
1155	Rent-Accommodation	977,342	1,430,328	1,291,974	1,863,250	1,975,044	2,113,298
1156	Rental Land:Yacht Club	-	-	-	-	-	-
1166	Sanitec Toilets	83,717	80,000	40,000	40,000	43,200	47,088
1180	Servitudes	7,974	5,000	6,470	5,500	5,775	6,122
1200	Sport Centre Assistance	-	-	-	-	-	-
1210	Street Lighting	1,958,990	1,500,000	1,934,915	1,925,000	2,079,000	2,182,950
1211	Study Loans	-	-	-	-	-	-
1215	Subscriptions	932,346	1,018,207	1,318,290	1,145,764	1,237,426	1,324,045
1220	Sundries	73,722	160,000	351,415	127,193	139,588	143,403
1225	Survey Costs	38,181	70,000	33,000	40,000	44,000	47,960
1230	Telephones & Communication	1,374,545	1,895,645	1,357,951	1,415,670	1,585,549	1,728,245
1235	Testing of Samples-Food	-	-	-	-	-	-
1240	Testing of Samples-Water	20,216	55,100	44,725	43,700	43,700	47,196
1245	Training	892,231	908,500	908,500	602,000	602,000	638,120
1250	Transfer Fees-HSG Subs Scheme	119,486	72,800	72,800	130,000	140,400	140,400
1255	Transfer Return Fee-Deeds Off	51,858	105,000	86,000	101,000	108,070	116,716
1260	Translation Services	89,433	200,000	180,000	210,000	226,800	247,212
1261	Transp-Comm Members to Meeting	8,900	25,000	10,000	15,000	16,050	17,174
1265	Transport-Labourers	-	-	-	-	-	-
1270	Travelling & Subsistence	434,672	367,850	434,205	445,900	486,031	529,778
1271	Tow-In of Vehicles	31,627	55,000	45,000	55,000	56,650	60,616
1272	Unamortised Discount on loans	18,019	9,609	9,609	-	-	-
1273	Union Representatives	138,804	188,990	143,990	207,889	209,968	228,865
1274	Unamortised Discount on Stock loans	-	-	-	-	-	-
1281	Ward Committees	62,218	125,000	109,650	114,035	175,439	175,439
1293	Youth Development	240,417	150,000	150,000	159,000	162,180	173,533
1295	Wreaths and Bouquets	10,826	13,000	20,000	13,500	14,175	15,167
1300	Water rural Areas	117,590	400,000	200,000	500,000	525,000	572,250
SUB-TOTAL		156,085,992	110,768,564	131,215,567	106,052,937	96,959,054	106,401,154

ITEM CODE	ITEM	2010-11	2011-12		2012-2013	2013-2014	2014-2015
		ACTUAL	BUDGET	ADJUSTED BUDGET	BUDGET	BUDGET	BUDGET
22 Repairs & Maintenance - Municipal Assets							
1412	Beaches-Embarkments/Amenities	279,366	200,000	350,000	180,000	192,600	208,008
1414	Boreholes	-	20,000	-	20,000	21,600	23,544
1415	Buildings	3,659,113	3,190,133	3,131,744	3,554,344	3,696,517	3,955,273
1425	Computer Equipment & Software	1,300,219	1,854,650	2,068,300	2,074,700	2,219,929	2,419,726
1430	Cleaning/Clearing Infrastruc.	1,464,514	1,400,500	1,306,895	2,051,700	2,133,768	2,261,795
1431	Deforestation	286,260	1,250,000	2,213,740	1,750,000	-	-
1432	Disaster Management	-	75,000	75,000	-	-	-
1435	Dumping Site	795,859	600,000	672,585	650,000	702,000	758,160
1440	Electricity Infrastructure	2,347,719	2,350,000	2,620,228	2,495,500	2,620,275	2,777,492
1441	Electricity Efficiency	2,429,065	4,000,000	3,294,061	-	-	-
1445	Electricity Street Lighting	478,670	500,000	700,000	700,000	756,000	824,040
1450	Fencing	545,305	570,450	448,956	521,260	542,110	574,636
1455	Fire Hydrants & Markers	9,521	12,000	5,000	12,000	12,960	13,997
1460	Fire Extinguish-Test & Refill	34,623	81,000	66,000	76,200	81,534	89,688
1465	Grounds and Gardens	291,452	457,000	1,224,000	906,200	960,572	1,018,207
1470	Hiking Trails	17,011	20,000	25,500	27,000	29,160	30,618
1475	Lighting Public Areas	-	-	-	-	-	-
1480	Mapping & Survey	58	20,000	20,000	20,000	21,600	23,112
1485	Meters	415,528	610,000	360,235	780,000	834,600	901,368
1490	Office Furniture & Equipment	32,616	70,025	61,350	74,200	78,652	88,089
1500	Plant,Mach,Tools & Equipment	1,005,119	1,490,725	1,536,914	1,547,000	1,624,350	1,721,813
1505	Playground Apparatus	53,677	63,800	74,800	64,560	69,079	73,915
1507	Purification Works	9,727	8,000	8,000	39,000	41,340	44,234
1508	Pump Electrical	341,133	560,500	620,872	616,500	653,490	699,235
1510	Pumps Mechanical	653,910	902,500	1,060,365	987,500	1,056,625	1,120,024
1512	Pumpstation	382,040	340,000	315,465	360,000	385,200	408,312
1515	Pipeline Mains	593,842	750,000	850,000	850,000	892,500	963,900
1520	Railway Lines	-	-	-	-	-	-
1525	Refuse Bins	-	10,000	-	1,000	1,100	1,199
1535	Sewerage Infrastructure	355,105	550,000	500,000	1,000,000	1,080,000	1,177,200
1540	Streets-General Repairs	3,003,003	3,047,500	3,875,820	3,244,366	3,406,585	3,713,179
1545	Rehabilitation River Mouths	-	1,000,000	2,000,000	-	-	-
1550	Streets-Resealing	2,011,201	9,062,500	8,792,500	10,062,500	10,500,000	11,235,000
1555	Stormwater Drains	962,691	550,000	900,000	1,000,000	1,070,000	1,134,200
1560	Telecommunication	11,149	33,800	24,000	25,700	27,242	29,150
1565	Telemetric System	239,440	248,000	226,975	253,000	263,120	281,538
1570	Traffic Lights & Signs	330,326	420,000	390,000	550,000	588,500	623,810
1575	Signs & Signboards	156,941	169,500	188,500	174,300	184,758	199,538
1580	Vehicles	2,497,710	2,623,700	3,558,823	2,964,000	3,171,480	3,393,487
1585	Water Infrastructure	1,119,042	1,300,000	1,260,000	2,880,000	3,081,600	3,328,128
1586	Water Leakages	84,650	250,000	100,000	100,000	106,000	113,420
1590	Water Reservoirs & Dams	421,568	650,000	500,000	500,000	540,000	567,000
1599	Flood Damage:S/Water-Fill Dong	-	350,000	350,000	-	-	-
1600	Flood Damage:Water Infrastruc	-	-	-	-	-	-
SUB-TOTAL		28.619.171	41.661.283	45.776.628	43.112.530	43.646.846	46.796.035

24 Depreciation - Property, Plant & Equip							
1655	Deprec.-Infrastructure Assets	-	-	-	-	-	-
1660	Deprec.-Community Assets	-	-	-	-	-	-
1670	Deprec.-Other Assets	30,909,815	37,192,699	38,270,334	47,573,602	52,393,390	55,556,982
1675	Deprec-Specialised Vehicles	-	-	-	-	-	-
SUB-TOTAL		30,909,815	37,192,699	38,270,334	47,573,602	52,393,390	55,556,982

26 Depreciation - Leased Property Plant & E							
1705	Depreciation - Leased Infrastr	-	-	-	-	-	-
1730	Depreciation - Leased Other As	1,291,527	1,015,549	1,157,288	1,116,655	925,748	522,038
SUB-TOTAL		1,291,527	1,015,549	1,157,288	1,116,655	925,748	522,038

27 Amortisation - Intangible Assets							
1750	Amortisation - Intangible Asse	19,618	89,583	14,027	13,999	14,051	14,013
SUB-TOTAL		19,618	89,583	14,027	13,999	14,051	14,013

28 Interest Expense - External Borrowings							
1775	Interest-External Borrowings	385,436	3,276,336	1,390,268	2,840,014	2,613,739	2,454,502
1780	Interest on Internal Funds	310,028	309,958	309,958	109,078	114,532	121,404
SUB-TOTAL		695,464	3,586,294	1,700,226	2,949,092	2,728,271	2,575,906

30 Disposal Of Property, Plant & Equipment							
1810	Loss on Disposal of P,P&E	698,848	50,000	169,150	128,000	128,000	128,000
1815	Loss on Disposal of Land	236,791	50,000	250,000	220,000	220,000	220,000
SUB-TOTAL		935,639	100,000	419,150	348,000	348,000	348,000

ITEM CODE	ITEM	2010-11	2011-12		2012-2013 BUDGET	2013-2014 BUDGET	2014-2015 BUDGET
		ACTUAL	BUDGET	ADJUSTED BUDGET			
32 Contributions From Operating To Capital							
1820	Fixed Assets (New Connections)	-	-	-	-	-	-
1830	Loose Assets(Plant,Mach&Equip)	-	-	-	-	-	-
SUB-TOTAL		-	-	-	-	-	-

34 Contributions To / From Provisions & Res							
1854	Alien Vegetation Provision	-	-	-	1	1	1
1855	Capital Replacement Reserve	-	-	-	-	-	-
1857	Bad Debt Provision	18,447,599	12,860,135	12,860,135	10,000,000	11,500,000	13,225,000
1859	External Financing Fund	-	-	-	-	-	-
1862	Illegal Dumping Provision	-	-	-	-	-	-
1863	Insurance Reserve	-	-	-	-	-	-
1864	Landfill Tip Sites	-	-	-	-	-	-
1865	Leave Gratuity Provision	3,166,703	2,715,630	2,715,630	1,380,446	1,504,686	1,625,061
1867	Long Service Bonus Provision	1,406,119	1,521,780	1,521,780	1,538,801	1,661,905	1,806,491
1870	Post Retirement Benefits	10,386,847	11,429,523	11,429,523	12,882,709	14,042,153	15,362,115
1875	Tourism Reserve	-	-	-	-	-	-
1880	Valuation Reserve Fund	-	-	-	-	-	-
SUB-TOTAL		33,407,268	28,527,068	28,527,068	25,801,957	28,708,745	32,018,668

44 Interdepartmental Charges And Recoveries							
1940	Admin-Internal Charges (DR)	19,146,744	21,660,572	21,660,572	22,074,276	24,502,445	26,952,693
1945	Admin-Internal Recovery (CR)	(19,146,744)	(21,660,572)	(21,660,572)	(22,074,276)	(24,502,447)	(26,952,693)
1950	Stores-Handling Charges	-	-	-	-	-	-
1955	Veh & Equip-Intnl Recovery (CR)	(264)	-	(1,126)	-	-	-
1956	Recoverable Expenditure (Cr)	(718,632)	(351,400)	(475,542)	(511,000)	(485,450)	(451,470)
SUB-TOTAL		(718,896)	(351,400)	(476,668)	(511,000)	(485,452)	(451,470)

48 Other Adjustments & Transfers [Appropria							
1985	Trfr Cap Grants-District Munic	-	-	-	-	-	-
1986	Trfr Cap Grants-Provincial	-	-	-	-	-	-
1987	Trfr Cap Grants-State	-	-	-	-	-	-
1988	Trfr Cap Grants-Public	-	-	-	-	-	-
1990	Trfr Cap Receipts-Pub(Connect)	-	-	-	-	-	-
1995	Trfr-Equitable Share	26,010,870	30,970,034	27,231,873	33,516,460	34,769,280	38,164,800
1996	Trfr-Transformation Funds	-	-	-	-	-	-
1997	Trfr. Ext Serv. Contr. to CRR	-	4,000,000	4,000,000	2,000,000	2,200,000	2,200,000
1998	Trfr. Land Sales To CRR	-	10,000,000	10,526,000	4,000,000	4,800,000	4,800,000
1999	Trfr. Parking Bay-Buy outs CRR	-	-	-	-	-	-
SUB-TOTAL		26,010,870	44,970,034	41,757,873	39,516,460	41,769,280	45,164,800

56 Property Rates							
2003	Assessm. Rates-Accom. Est.	(1,557,419)	(1,633,897)	(1,607,649)	(1,698,510)	(1,851,377)	(2,036,514)
2005	Assessm. Rates-Agricultural	(635,747)	(785,616)	(694,763)	(883,468)	(962,980)	(1,059,278)
2006	Assessm. Rates-Agricultural Business	(161,470)	(185,873)	(165,995)	(249,678)	(272,149)	(299,364)
2010	Assessm. Rates-Comm/Indus.	(12,397,749)	(12,962,060)	(12,918,629)	(15,853,695)	(17,332,889)	(19,123,776)
2015	Assessm. Rates-Municipal	-	-	-	-	-	-
2020	Assessm. Rates-Residential	(51,538,388)	(58,600,698)	(59,238,214)	(62,719,922)	(68,783,610)	(76,093,957)
2025	Assessm Rates-State	-	(150,000)	(300,055)	(365,450)	(398,340)	(438,174)
2027	Assessm. Rates-Vleesbaai	(305,919)	(354,618)	(347,875)	(354,350)	(386,240)	(424,864)
2030	Building Clause	-	-	-	-	-	-
2035	Prop. Rates-Lease Agreements	(1,438)	(1,500)	(1,000)	(1,500)	(1,500)	(1,500)
SUB-TOTAL		(66,598,131)	(74,674,262)	(75,274,180)	(82,126,573)	(89,989,085)	(99,477,427)

58 Penalties Imposed And Collection Charges							
2045	Interest on Arrear Rates	(2,072,580)	(2,100,000)	(1,750,000)	(2,000,000)	(2,100,000)	(2,247,000)
SUB-TOTAL		(2,072,580)	(2,100,000)	(1,750,000)	(2,000,000)	(2,100,000)	(2,247,000)

62 Service Charges							
2060	Blocked Drains	(18,631)	(28,000)	(22,545)	(30,000)	(33,000)	(36,630)
2065	Building Plan Fees	(2,113,889)	(3,000,000)	(3,000,000)	(3,500,000)	(3,780,000)	(4,120,200)
2070	Call-Out Fees	(15,640)	(1,500)	(45,990)	(50,500)	(55,550)	(59,994)
2075	Camping Fees	(4,608,263)	(5,200,000)	(5,300,000)	(5,900,000)	(6,431,000)	(7,009,790)
2080	Cemetery Fee-Burials	(169,745)	(188,100)	(220,688)	(199,000)	(216,910)	(234,262)
2085	Cemetery Fee-Erect Tombstone	(3,776)	(5,000)	(5,092)	(5,000)	(5,500)	(5,995)
2090	Circuit Breaker-Repl/Upgrade	-	(1,000)	(1,000)	-	-	-
2094	Clearance Application	(24,737)	(25,000)	(128,223)	(130,000)	(137,800)	(148,824)
2095	Connection Fee-New Property	(1,653,480)	(3,790,000)	(3,593,563)	(3,350,000)	(3,517,500)	(3,728,550)
2100	Connection Fee-Recon Exist Pro	(9,707)	(15,000)	(9,170)	(12,000)	(12,720)	(13,102)
2105	Temporary Connections	-	-	-	-	-	-
2110	Dumping of Building Rubble	(23,049)	(35,000)	-	-	-	-
2115	Electr. Availability Fees	(5,540,998)	(6,392,148)	(6,028,620)	(6,800,000)	(7,400,000)	(7,600,000)
2120	Electr. Sales- Credit meters	(141,869,013)	(173,016,969)	(170,700,673)	(189,070,774)	(207,818,891)	(230,741,314)
2125	Electr. Sales-Prepaid Meters	(68,020,110)	(77,000,000)	(76,316,296)	(86,317,611)	(95,838,443)	(107,177,796)

ITEM CODE	ITEM	2010-11	2011-12		2012-2013	2013-2014	2014-2015
		ACTUAL	BUDGET	ADJUSTED BUDGET	BUDGET	BUDGET	BUDGET
2130	Fire Brigade Fees	(73,028)	(100,000)	(95,728)	(90,000)	(91,800)	(95,472)
2135	Gate Fees	(101,260)	(45,000)	(95,000)	(60,000)	(64,200)	(69,336)
2140	Hiring of Plants	(343)	-	(360)	-	-	-
2145	Inspection Fees	(1,561)	(9,600)	(3,600)	(2,300)	(2,530)	(2,884)
2150	Land Usage Fee-Granny Flats	(219,221)	(100,000)	(200,000)	(220,000)	(242,000)	(261,360)
2155	Land Usage Fee-Lift Restrict	(6,316)	(7,500)	(5,000)	(8,000)	(9,200)	(9,936)
2160	Land Usage Fee-Rez/Dep/Cons	(147,189)	(125,000)	(150,000)	(150,000)	(159,000)	(171,720)
2165	Land Usage Fee-Subdivisions	(9,184)	(12,000)	(15,000)	(15,000)	(15,600)	(16,536)
2170	Land Usage Fee-Zoning Cert.	(11,995)	(11,000)	(10,885)	(15,000)	(16,200)	(17,658)
2175	Lost Books-Library	(6,034)	(14,250)	(6,915)	(14,000)	(14,980)	(16,327)
2180	Membership Fees	-	-	-	-	-	-
2190	Photostatic Copies	(31,419)	(25,200)	(32,047)	(33,500)	(36,515)	(38,706)
2195	Pound Fees	(65,470)	(45,000)	(53,925)	(60,000)	(66,600)	(74,592)
2200	Refuse Removal Charges	(31,646,361)	(35,294,396)	(35,266,634)	(38,530,419)	(43,649,618)	(49,442,587)
2201	Refill Charges - Fire Exting.	(39)	-	-	-	-	-
2205	Special Removals	(5,056)	(9,900)	(3,000)	(8,000)	(8,960)	(9,677)
2210	Roads & Pavement-Access/Repair	(1,959)	(5,000)	(5,000)	(5,000)	(5,350)	(5,832)
2215	Sale of Magazines	-	-	-	-	-	-
2220	Sale of Prepaid Cards	-	-	-	-	-	-
2225	Sale of Prints	(35,712)	(32,500)	(48,695)	(50,300)	(55,330)	(60,310)
2230	Sale of Refuse Bags	-	-	-	-	-	-
2235	Sale of Refuse Bins	-	(1,650)	-	(1,800)	(2,016)	(2,238)
2238	sales-tender documents	(64,762)	(100,000)	(85,262)	(80,000)	(84,800)	(87,344)
2240	Sale of Trees and Ferns	(463,069)	(30,000)	(15,000)	(20,000)	(21,800)	(24,198)
2250	Search Fees	-	(500)	(50)	-	-	-
2255	Sewerage Availability Fees	(3,500,929)	(3,885,168)	(3,680,432)	(3,800,865)	(3,850,000)	(3,900,000)
2260	Sewerage Charges	(47,194,031)	(50,965,719)	(52,067,523)	(52,545,366)	(52,623,210)	(52,901,053)
2265	Sewerage Charges-Industrial	(597,235)	(830,000)	(830,000)	(900,000)	(981,000)	(1,069,290)
2270	Testing of Meters	(12,992)	(13,000)	(11,799)	(14,500)	(15,660)	(16,913)
2275	Traffic Escorting Fees	(20,608)	(30,000)	(28,275)	(34,000)	(37,740)	(43,024)
2280	Valuation Certificates	(83,024)	(80,000)	(120,000)	(100,000)	(109,000)	(119,900)
2283	Water Availability Fees	(4,895,633)	(5,680,270)	(5,356,846)	(6,248,417)	(6,873,259)	(7,560,585)
2290	Water Charges	(62,159,607)	(69,910,451)	(66,000,000)	(83,214,777)	(92,000,000)	(102,000,000)
2291	Water Charges:Purified Water	-	-	-	-	-	-
SUB-TOTAL		(375,425,078)	(436,060,821)	(429,558,836)	(481,586,129)	(526,283,682)	(578,893,935)

66 Rent of Facilities and Equipment

2305	Advertisements	(26,241)	(26,000)	(27,670)	(30,500)	(32,635)	(35,246)
2330	Encroachment Fees	(2,708)	(2,800)	(2,800)	(2,800)	(3,220)	(3,735)
2350	Hire-Comm Hall:Boggoms Bay	(1,385)	(1,750)	(2,500)	(1,500)	(1,680)	(1,898)
2355	Hire-Comm Hall:D'Almeida	(22,169)	(40,000)	(40,000)	(45,000)	(51,750)	(57,960)
2360	Hire-Comm Hall:Dana Bay	(3,751)	(13,000)	(6,500)	(7,000)	(7,840)	(8,467)
2361	Hire-Comm Hall:Friemersheim	(2,115)	(2,000)	(2,000)	(2,000)	(2,000)	(2,080)
2365	Hire-Comm Hall:Great Brak	(6,158)	(15,000)	(7,000)	(10,000)	(11,300)	(12,995)
2370	Hire-Comm Hall:Joe Slovo	(9,211)	(5,000)	(5,000)	(5,000)	(5,600)	(6,440)
2375	Hire-Comm Hall:Kwanonqaba	(16,527)	(15,000)	(15,000)	(16,000)	(18,880)	(21,901)
2380	Hire-Comm Hall:Little Brak	(8,203)	(10,000)	(9,000)	(10,000)	(11,000)	(12,320)
2385	Hire-Comm Hall:Rheebok	(10,076)	(12,000)	(6,000)	(7,000)	(7,840)	(8,702)
2386	Hire-Comm Hall:Sonskynvallei	(838)	(2,000)	(1,000)	(1,000)	(1,140)	(1,277)
2387	Hire-Indoor Sport Centre	(17,109)	(15,000)	(15,000)	(16,000)	(18,240)	(20,976)
2390	Hire-Library Hall	(25,194)	(27,000)	(23,165)	(28,500)	(31,350)	(35,739)
2395	Hire-Sportgrounds	(22,492)	(30,000)	(22,122)	(31,000)	(34,100)	(38,192)
2400	Hire-Town Hall	(117,417)	(100,000)	(100,000)	(110,000)	(121,000)	(133,100)
2405	Hire-Van Riebeeck Stadium Fac.	(16,327)	(17,000)	(24,480)	(18,000)	(20,160)	(22,176)
2410	Hire-Voortrekker Hall	(361)	(1,000)	(500)	-	-	-
2430	Rental-Bakke Restaurant	-	-	-	-	-	-
2435	Rental-Chalets	(2,099,198)	(2,500,000)	(2,100,000)	(2,500,000)	(2,825,000)	(3,164,000)
2436	Rental -Carport Levies	(18,993)	(17,000)	(19,815)	(20,000)	(22,000)	(24,860)
2440	Rental-Comm Grounds & Other	(742,214)	(600,000)	(948,835)	(848,097)	(924,426)	(1,063,090)
2441	Rental Compong	(25,448)	(25,627)	(25,627)	(27,165)	(29,882)	(32,273)
2448	Rental - Good Shed	-	-	-	(150,000)	(162,000)	(174,960)
2450	Rental-Hawkers Sites	(178,743)	(150,000)	(190,000)	(190,000)	(205,200)	(223,668)
2455	Rental-Houses	(55,441)	(47,355)	(47,355)	59,110	65,021	70,873
2460	Rental-Information Centre	-	-	-	-	-	-
2465	Rental-Letting Housing	-	-	-	-	-	-
2470	Rental-Poort Restaurant	(13,491)	(14,000)	(15,000)	(16,325)	(17,631)	(19,218)
2475	Rental-Putt-Putt Course	(10,557)	(12,000)	(15,578)	(16,615)	(16,615)	(16,615)
2480	Rental-D. Council Buildings	(10)	-	(10)	-	-	-
2481	Rental - Refuse Bins	(205,700)	(226,270)	(226,270)	(248,897)	(273,787)	(298,428)
2484	Rental-Usage of Sidewalks	(7,675)	(15,000)	(4,010)	(4,000)	(4,200)	(4,494)
2485	Rental-Sundries	(355,933)	(305,000)	(379,480)	(325,755)	(364,846)	(415,925)
2486	Rental-Yacht Club	-	-	-	-	-	-
SUB-TOTAL		(4,021,686)	(4,246,802)	(4,281,717)	(4,629,044)	(5,160,301)	(5,789,862)

ITEM CODE	ITEM	2010-11	2011-12		2012-2013 BUDGET	2013-2014 BUDGET	2014-2015 BUDGET
		ACTUAL	BUDGET	ADJUSTED BUDGET			
68 Interest Earned - External Investments							
2500	Int. on Investm-Current Acc.	(1,589,291)	(1,200,000)	(1,320,000)	(1,500,000)	(1,515,000)	(1,393,800)
2505	Int. on Investm-Short Term	(10,255,676)	(9,428,600)	(9,428,600)	(12,604,320)	(12,856,406)	(12,213,586)
2510	Int. on Investm-Long Term	-	-	-	-	-	-
2514	Interest : Car loans	(0)	-	-	-	-	-
2515	Int. on Investm-Collateral sec	-	-	-	-	-	-
2516	Interest: Land Sales	-	-	-	-	-	-
2517	Interest on Unamortised Discount	-	-	-	-	-	-
SUB-TOTAL		(11,844,967)	(10,628,600)	(10,748,600)	(14,104,320)	(14,371,406)	(13,607,386)

72 Interest Earned - Outstanding Debtors							
2525	Int on Outstanding Debtors	(20,493)	(15,000)	(15,000)	(11,400)	(11,856)	(11,500)
2526	Int on Outst. Housing Debtors	(321,810)	(330,050)	(288,905)	(280,000)	(296,800)	(284,928)
SUB-TOTAL		(342,303)	(345,050)	(303,905)	(291,400)	(308,656)	(296,428)

76 Fines							
2545	Library Penalties	(51,719)	(47,750)	(33,986)	(50,750)	(54,303)	(58,647)
2553	Town Plan-Contravention Levy	(11,600)	(10,000)	(15,200)	(10,000)	(12,300)	(14,145)
2555	Traffic Fines	(3,491,615)	(5,200,000)	(5,305,152)	(6,000,000)	(7,200,000)	(8,640,000)
SUB-TOTAL		(3,554,934)	(5,257,750)	(5,354,338)	(6,060,750)	(7,266,603)	(8,712,792)

78 Licenses and Permits							
2565	Business Licence Fees	(3,077)	(1,650)	(1,650)	(2,000)	(2,440)	(2,879)
2570	Card Licences-Applications	(359,558)	(380,000)	(375,495)	(400,000)	(440,000)	(475,200)
2575	Drivers Licence-Learner Fees	(157,790)	(160,000)	(138,672)	(145,000)	(158,050)	(172,275)
2580	Drivers Licence-Test Fees	(620,233)	(650,000)	(561,990)	(580,000)	(626,400)	(682,776)
2585	Licence Fees-Boats	(4,450)	(1,000)	(5,000)	(1,000)	(1,040)	(1,082)
2590	Motor Vehicle Registrations	(3,217,085)	(3,500,000)	(3,360,000)	(3,600,000)	(3,960,000)	(4,474,800)
2595	Public Driving Permits	(83,892)	(85,000)	(106,565)	(110,000)	(118,800)	(127,116)
2600	Roadworthy Certificates	-	-	-	-	-	-
2605	Parking Meters	(2,027)	-	(3,535)	(2,500)	(2,500)	(2,500)
2610	Parking Bays-Buy Out	-	-	-	-	-	-
SUB-TOTAL		(4,448,112)	(4,777,650)	(4,552,907)	(4,840,500)	(5,309,230)	(5,938,628)

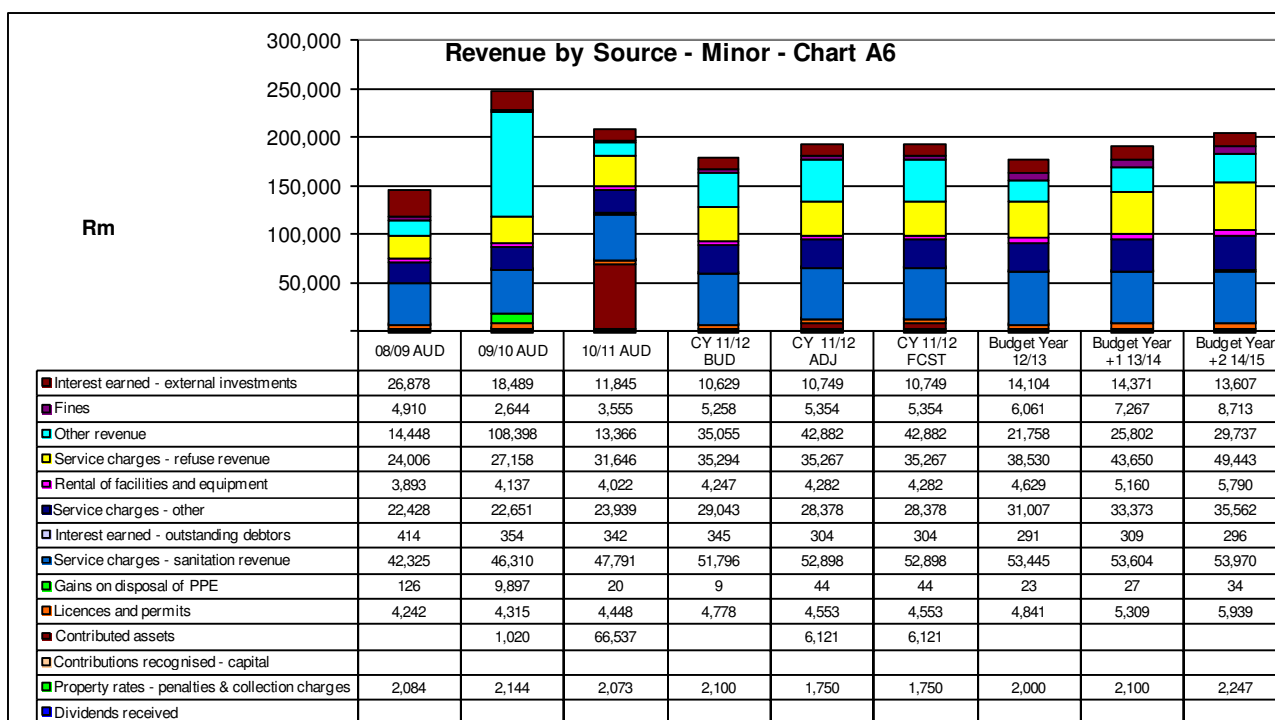
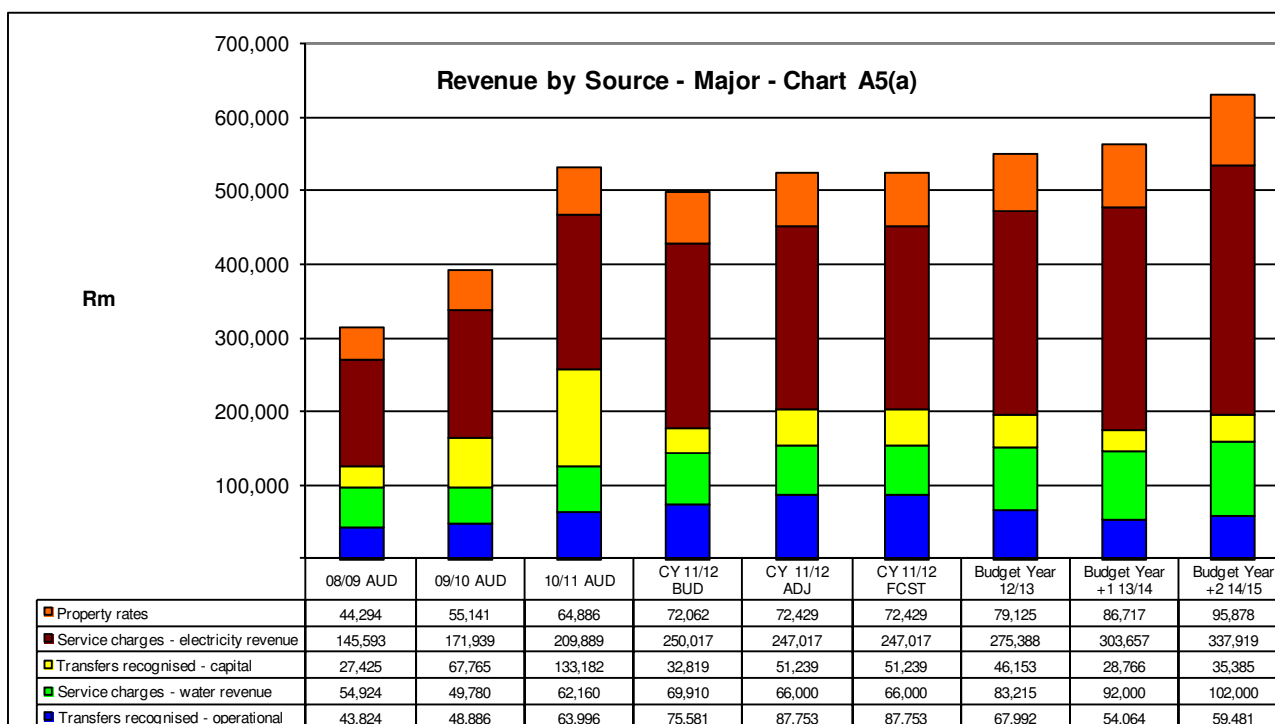
82 Grants & Subsidies Received - Operating							
2624	Subsidy-Community Units	-	-	(1,427,120)	-	-	-
2625	Subsidy-District Municipality	-	-	-	-	-	-
2626	Subsidy-Housing Trust Fund	-	(1,300,000)	(1,300,000)	(1,880,000)	-	-
2629	Subsidy-Province	(739,641)	(891,000)	(962,415)	(1,004,193)	(85,088)	(85,088)
2630	Subsidy-Province:Main Roads	-	(50,000)	(50,000)	(50,000)	-	-
2631	Subsidy:Province:Newsletters	(16,779)	(15,616)	(15,616)	(24,000)	(29,760)	(36,011)
2632	Subsidy:Prov.-Top Structures	(20,508,587)	(26,872,000)	(32,932,431)	(18,251,600)	(5,470,000)	(6,344,000)
2633	Subsidy Equitable Share	(34,232,731)	(36,942,000)	(36,942,000)	(42,495,000)	(45,755,000)	(49,973,000)
2635	Subs-State:Hlth Com.Serv.Clin.	-	-	-	-	-	-
2638	Subs-State:H/Primary Health	-	-	-	-	-	-
2639	Subs-State:H/Pew Feeding Sch.	-	-	-	-	-	-
2640	Subsidy-Other	(4,447,474)	(3,545,000)	(8,972,957)	(2,435,000)	(752,650)	(839,262)
2641	Subsidy-State:Transformation	-	-	-	-	-	-
2642	Subsidy-State:DORA	(4,050,654)	(5,965,000)	(5,150,638)	(1,852,631)	(1,971,930)	(2,203,509)
2645	Subsidy-State:H/Comprehensv	-	-	-	-	-	-
2650	Subsidy-State:H/Environment	-	-	-	-	-	-
SUB-TOTAL		(63,995,866)	(75,580,616)	(87,753,177)	(67,992,424)	(54,064,428)	(59,480,870)

83 Grants & Subsidies Received - Capital							
2655	Capital Grants-District Mun	(1,861,936)	-	-	-	-	-
2660	Capital Grants-Provincial	(6,005,228)	(15,686,891)	(28,867,666)	(27,746,102)	(12,013,158)	(12,013,158)
2665	Capital Grants-State	(116,123,364)	(17,132,000)	(21,638,913)	(18,406,614)	(16,752,631)	(23,371,929)
2670	Capital Grants-Other	(9,191,653)	-	(732,588)	-	-	-
SUB-TOTAL		(133,182,181)	(32,818,891)	(51,239,167)	(46,152,716)	(28,765,789)	(35,385,087)

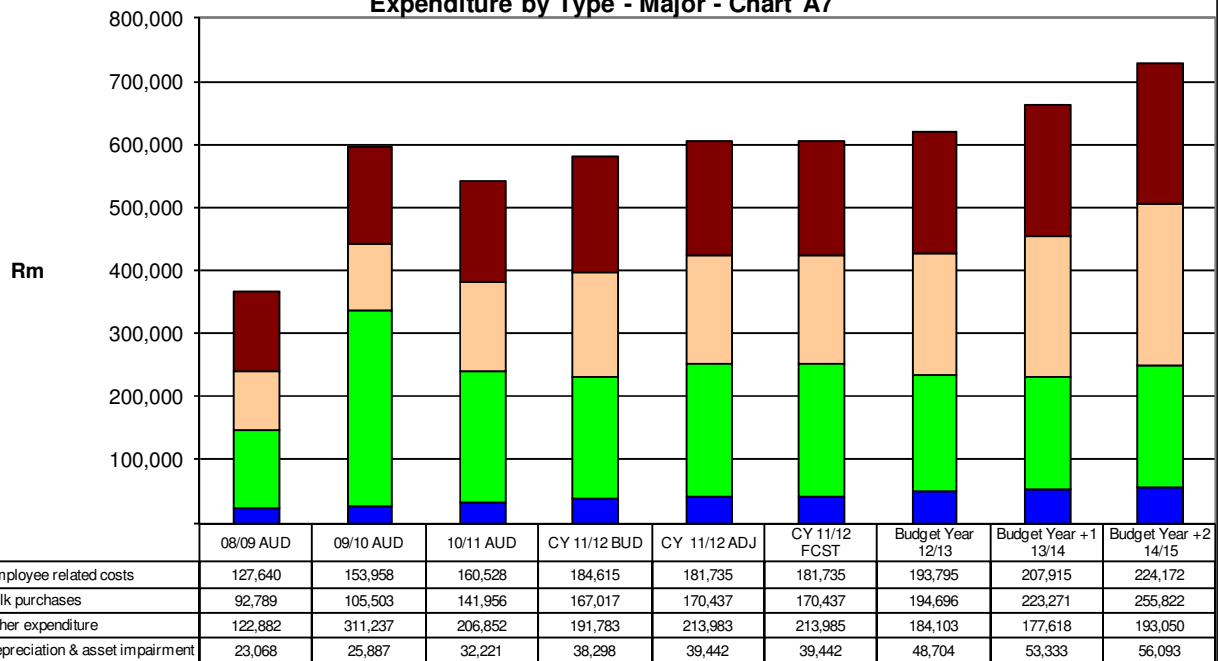
ITEM CODE	ITEM	2010-11	2011-12		2012-2013	2013-2014	2014-2015
		ACTUAL	BUDGET	ADJUSTED BUDGET	BUDGET	BUDGET	BUDGET
84 Other Revenue							
2680	Access Provision - Bad debts	(42,595)	-	(25,000)	-	-	-
2681	Access Provision	-	-	-	-	-	-
2682	Actuarial Gains	-	-	-	-	-	-
2685	Admin Costs Recovered	(123,084)	(75,000)	(148,419)	(102,500)	(112,750)	(126,280)
2686	Contr from Surplus (Non-cash)	-	-	-	-	-	-
2687	Collection Costs Recovered	(3,330,435)	(3,500,000)	(2,500,000)	(3,250,000)	(3,575,000)	(3,968,250)
2688	Contr.from Transfer Even(HDF)	-	(6,669,082)	(8,336,949)	(4,539,097)	(5,274,678)	(5,589,063)
2689	Cont.from Ext. Serv (CRR)	(3,905,840)	(4,000,000)	(4,000,000)	(2,000,000)	(2,200,000)	(2,420,000)
2691	Contr. from Land Sales (CRR)	(2,117)	(10,000,000)	(10,526,000)	(4,000,000)	(4,800,000)	(5,760,000)
2692	Contribution From LGW SETA	-	-	-	-	-	-
2693	Contr from Surplus (cash)	-	(9,300,000)	(9,300,000)	(3,500,000)	(6,000,000)	(7,000,000)
2694	Contr. From Reserve Fund	-	-	-	-	-	-
2695	Commission-Insurance Collect	(84,341)	(85,000)	(96,189)	(105,000)	(128,100)	(147,315)
2696	Housing Rental(Hous Dev Fund)	(22,504)	(22,560)	(22,560)	(23,914)	(28,219)	(31,887)
2697	Housing Instalments(Hous Dev)	(62,811)	(11,354)	(11,354)	(11,545)	(12,700)	(13,843)
2698	Parking Bays-Buy Out(CRR)	-	-	-	-	-	-
2699	Public Contributions	-	-	(60,000)	-	-	-
2700	Fair Value Adjustment	(1,662,150)	-	(1,500,000)	-	-	-
2701	Promotional Material	-	-	(3,810)	(4,000)	(4,400)	(4,796)
2703	Festival Events	-	-	(5,000)	(5,000)	(5,500)	(5,995)
2704	Lease/Alienation of Mun.Land	-	-	(8,525)	(10,000)	(11,000)	(11,990)
2705	Discount on Purchases	-	-	-	-	-	-
2706	Insurance Claims	(1,101,330)	(306,600)	(611,100)	(140,500)	(148,930)	(156,379)
2707	Milk Powder	-	-	-	-	-	-
2708	Legal Costs	(154,630)	(200,000)	(235,015)	(116,000)	(127,600)	(139,084)
2709	Outdoor Advertising	(105,964)	(70,000)	(145,620)	(150,000)	(163,500)	(176,580)
2710	Tender Deposits Forfeited	-	-	-	-	-	-
2711	Lost Membership Cards	(863)	(500)	(1,705)	(500)	(520)	(546)
2715	Extension Costs-Waterworks	(232,800)	(232,800)	(232,800)	(232,800)	(232,800)	(232,800)
2716	Recoverable Income	-	(1,000)	(500)	(1,000)	(1,000)	(1,000)
2717	Retention monies-Unclaimed	(538,316)	(20,000)	(20,000)	(20,000)	(21,600)	(23,544)
2718	Reservation of Books	(170)	(500)	(700)	(500)	(520)	(546)
2720	Sale of Reduntant Inventory	(37,584)	(7,500)	(7,500)	(50,000)	(50,000)	(50,000)
2725	Sundries	(386,676)	(124,500)	(126,250)	(110,000)	(119,900)	(128,293)
2730	Surplus Cash	(10,461)	(10,000)	(5,364)	(7,500)	(8,100)	(8,748)
2734	Payments received:WCA	(44,304)	(43,000)	(270,940)	(10,500)	(11,235)	(12,472)
2735	Stale Cheque	(73,120)	(40,000)	(40,000)	(40,000)	(43,200)	(47,088)
2736	Unidentified Deposits	(27,879)	(150,000)	(25,000)	(15,000)	(16,350)	(17,658)
2737	X-Rays	-	-	-	-	-	-
2739	Unamortised Discount of Stock loans	(9,359)	(11,007)	(11,008)	(7,776)	(8,243)	(8,902)
2740	Unamortised Discount of Stock debtors	(51,611)	(45,088)	(45,088)	(36,221)	(38,394)	(41,466)
2741	Uncovering of meters	(136)	-	-	-	-	-
2742	Tampering with installation	(77,496)	(30,000)	(100,000)	(100,000)	(109,000)	(118,810)
2744	Unclaimed-Service Charges	(1,329)	-	(1,500)	(1,000)	(1,000)	(1,000)
2745	Unamortised Discount on Consumer Dep	-	-	-	-	-	-
2746	Penalties	(961,566)	-	(13,425)	(10,000)	(10,500)	(10,815)
2747	Watermeter Restricters	(154,842)	(100,000)	(210)	-	-	-
2748	Reduction in carrying amount of provision	(159,390)	-	-	-	-	-
2749	VAT - Conditional Grants	-	-	(3,283,323)	(2,407,755)	(2,523,439)	(3,468,562)
2750	VAT - Conditional Grants PAWC	-	-	(1,161,310)	(750,105)	(13,754)	(13,754)
2764	Payment received:WCA	-	-	-	-	-	-
SUB-TOTAL		(13,365,705)	(35,055,491)	(42,882,164)	(21,758,213)	(25,801,932)	(29,737,466)
85 Public Contr & Donated Property, Plant & Equipment							
2743	Public Contributions	(66,536,867)	-	(6,121,100)	-	-	-
SUB-TOTAL		(66,536,867)	-	(6,121,100)	-	-	-
86 Gains on Disposal Of Property, Plant & Equipment							
2755	Gain on Disposal of P,P& E	(19,920)	(8,500)	(43,500)	(22,500)	(27,000)	(33,750)
2756	Gain On Disposal of Land	-	-	-	-	-	-
SUB-TOTAL		(19,920)	(8,500)	(43,500)	(22,500)	(27,000)	(33,750)
88 Less Revenue Foregone							
2770	Rates Rebate-Pensioners 50%	-	-	-	-	-	-
2775	Rates Rebate-Pensioners 30%	-	-	-	-	-	-
2780	Rates Rebates-Sect.17(1)(H)	2,053,142	2,303,829	2,400,000	2,590,463	2,823,605	3,105,966
2785	Rates Rebates-Other	(340,619)	308,027	445,000	411,524	448,561	493,417
SUB-TOTAL		1,712,524	2,611,856	2,845,000	3,001,987	3,272,166	3,599,383
TOTALS							
TOTAL EXPENDITURE		601,224,332	651,821,396	671,388,150	690,123,924	735,858,226	809,193,095
TOTAL INCOME		(743,695,803)	(678,942,577)	(717,018,591)	(728,562,582)	(756,175,946)	(836,001,248)
GRAND TOTAL		(142,471,471)	(27,121,181)	(45,630,441)	(38,438,658)	(20,317,720)	(26,808,153)

BUDGET RELATED CHARTS / GRAPHS

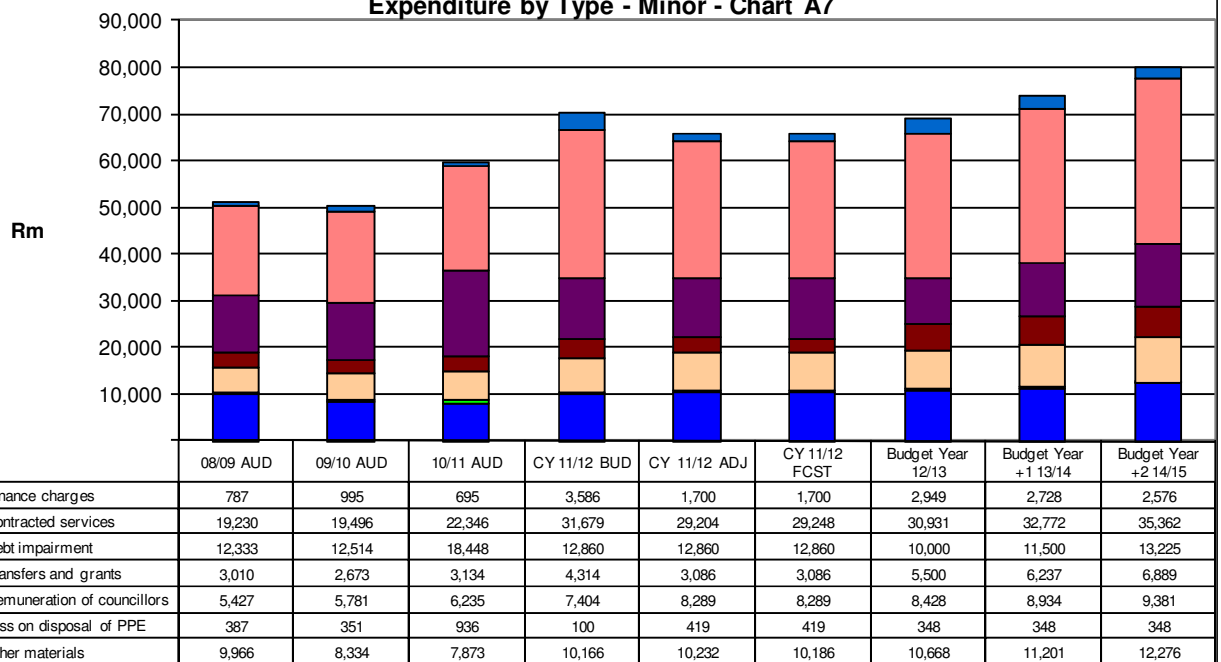
The following shows various charts and graphs on the **Operating budget** of the Municipality:

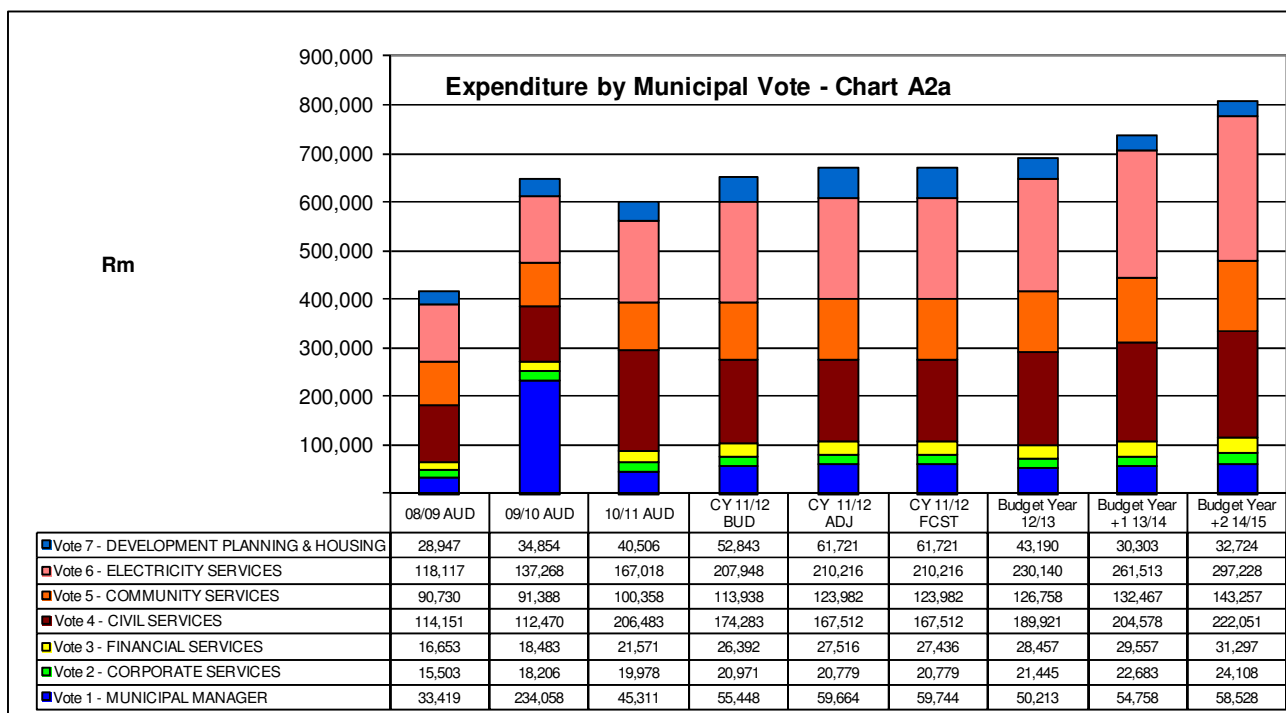
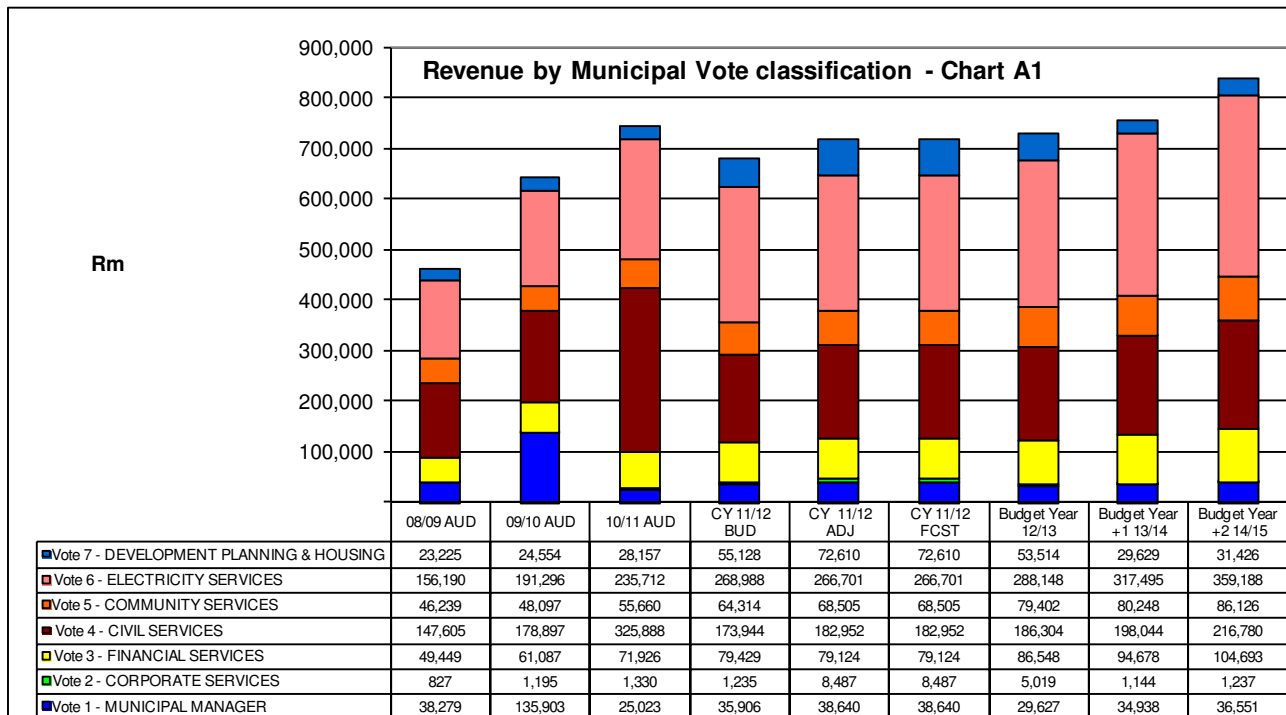


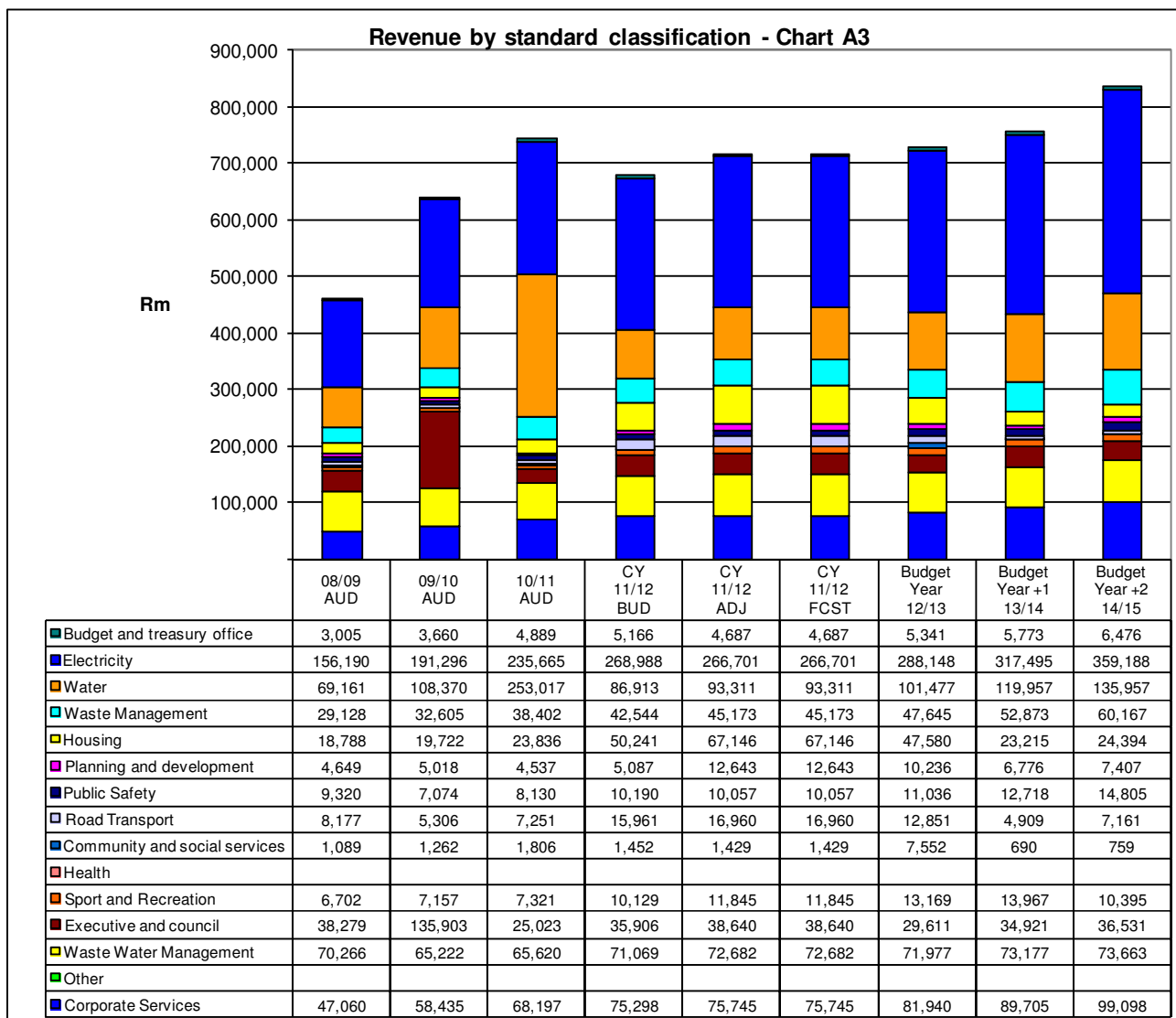
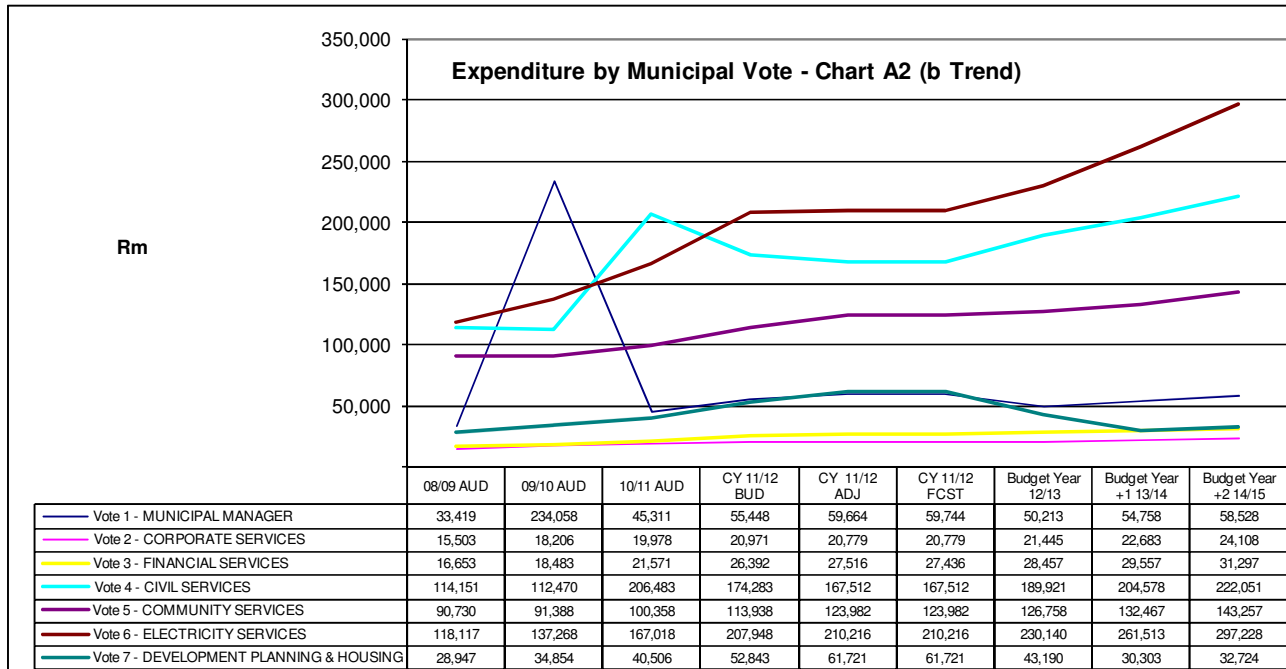
Expenditure by Type - Major - Chart A7

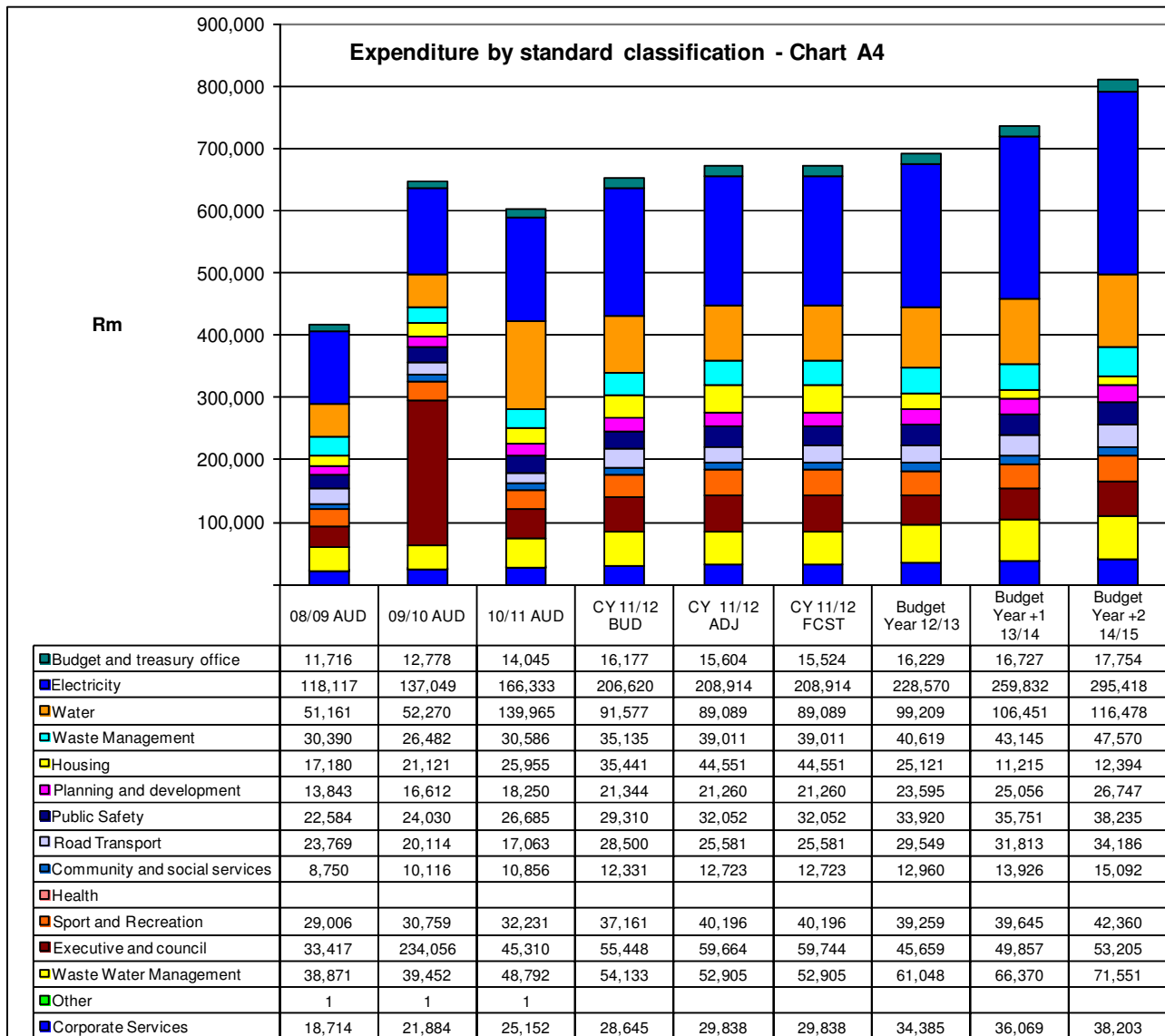


Expenditure by Type - Minor - Chart A7

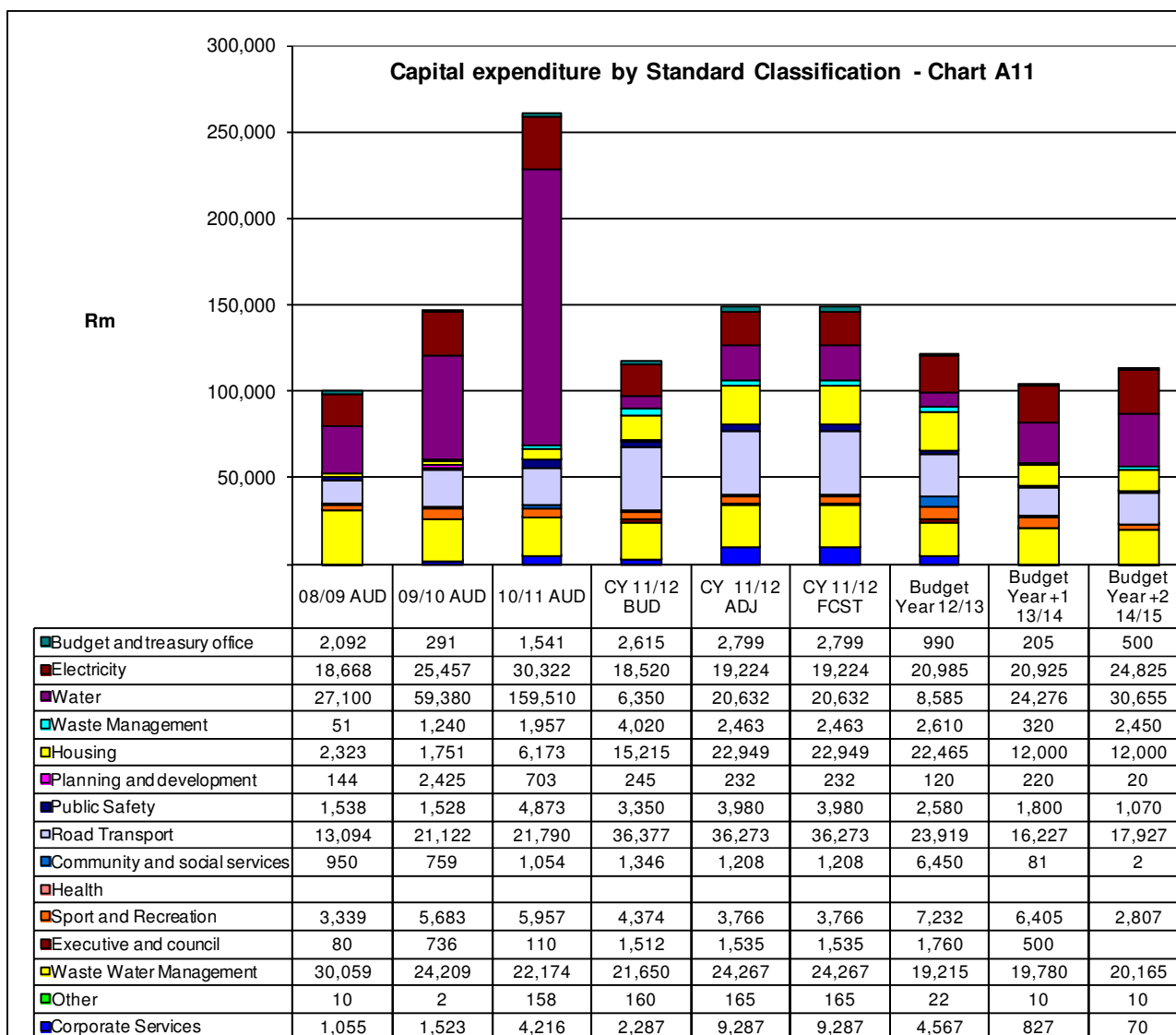


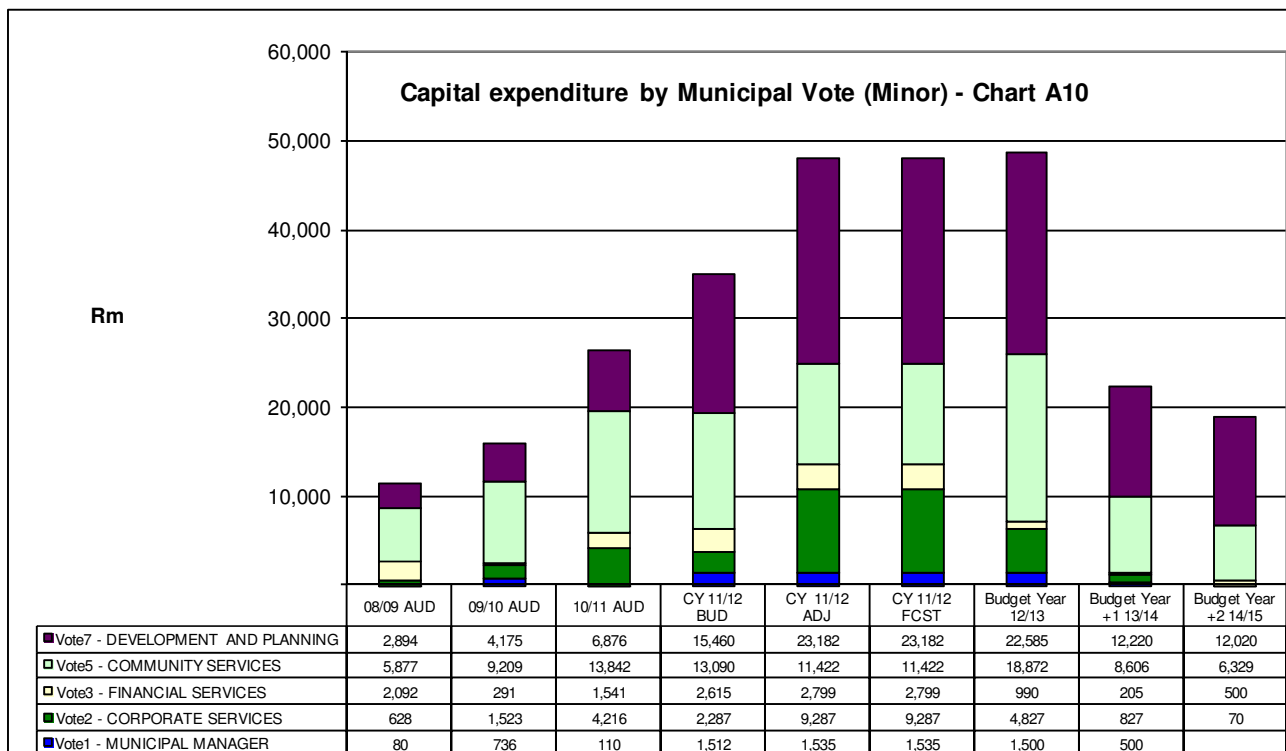
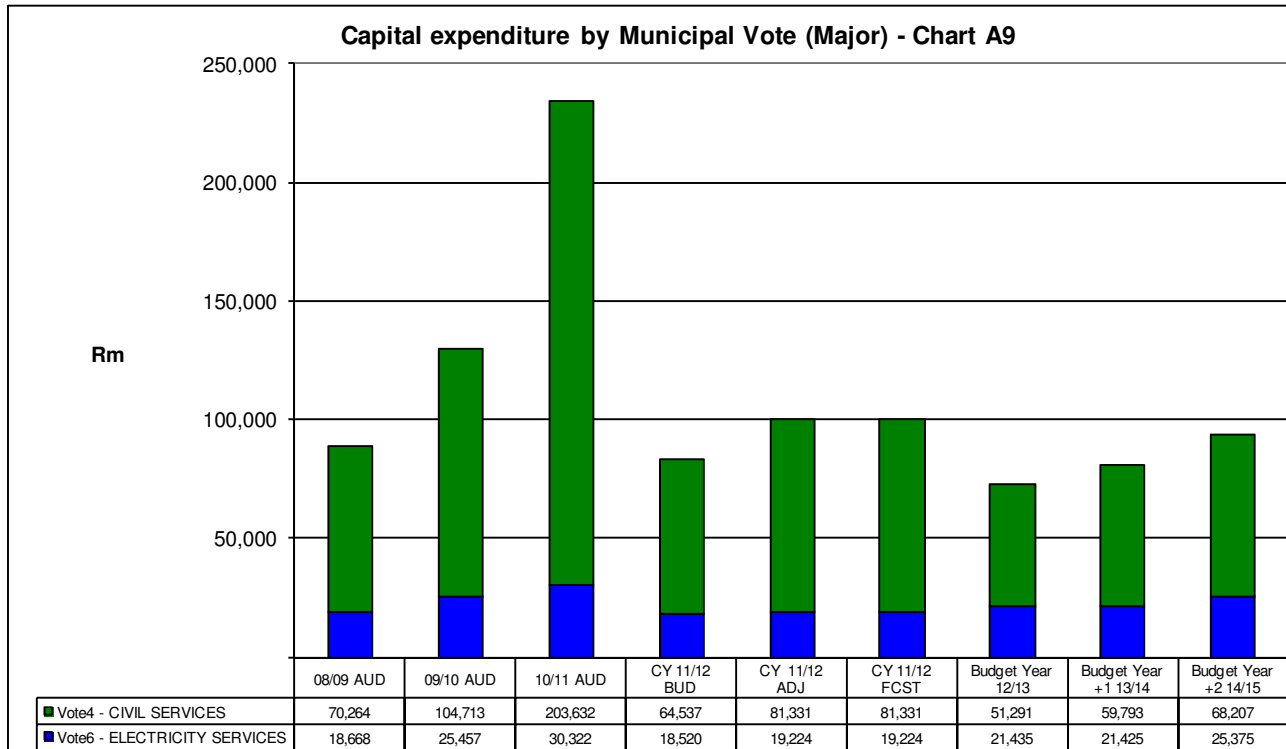




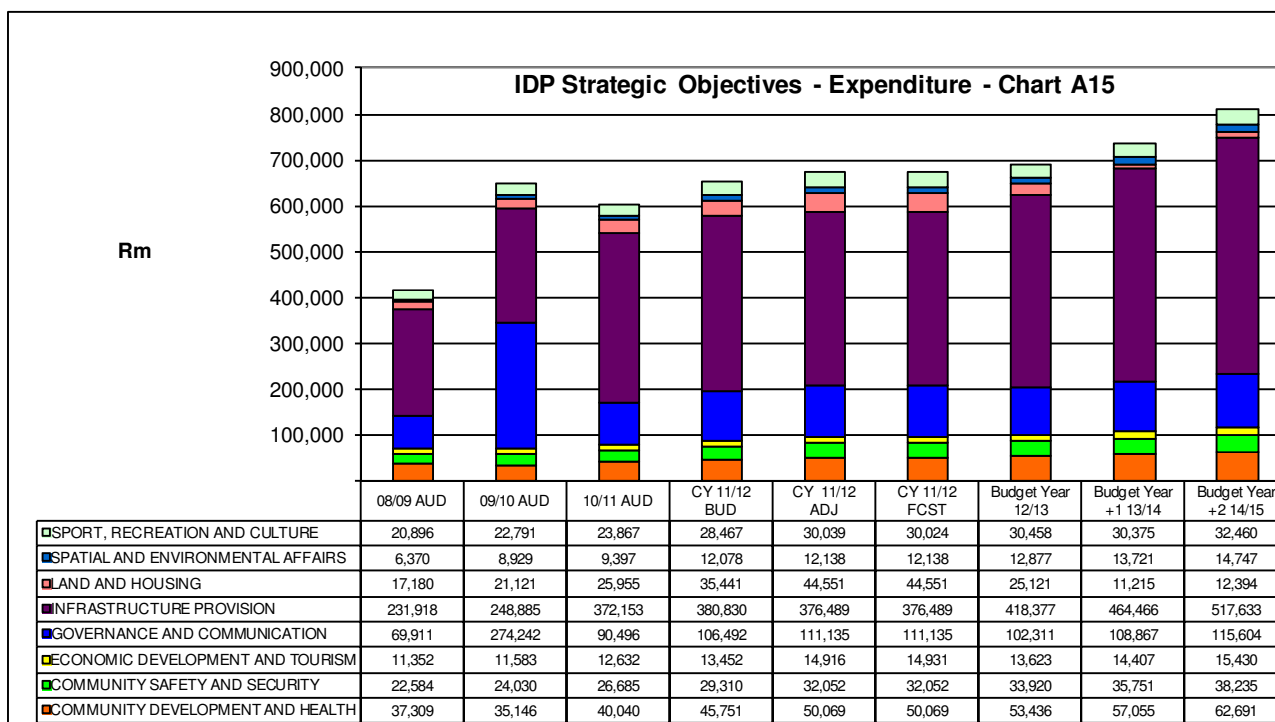
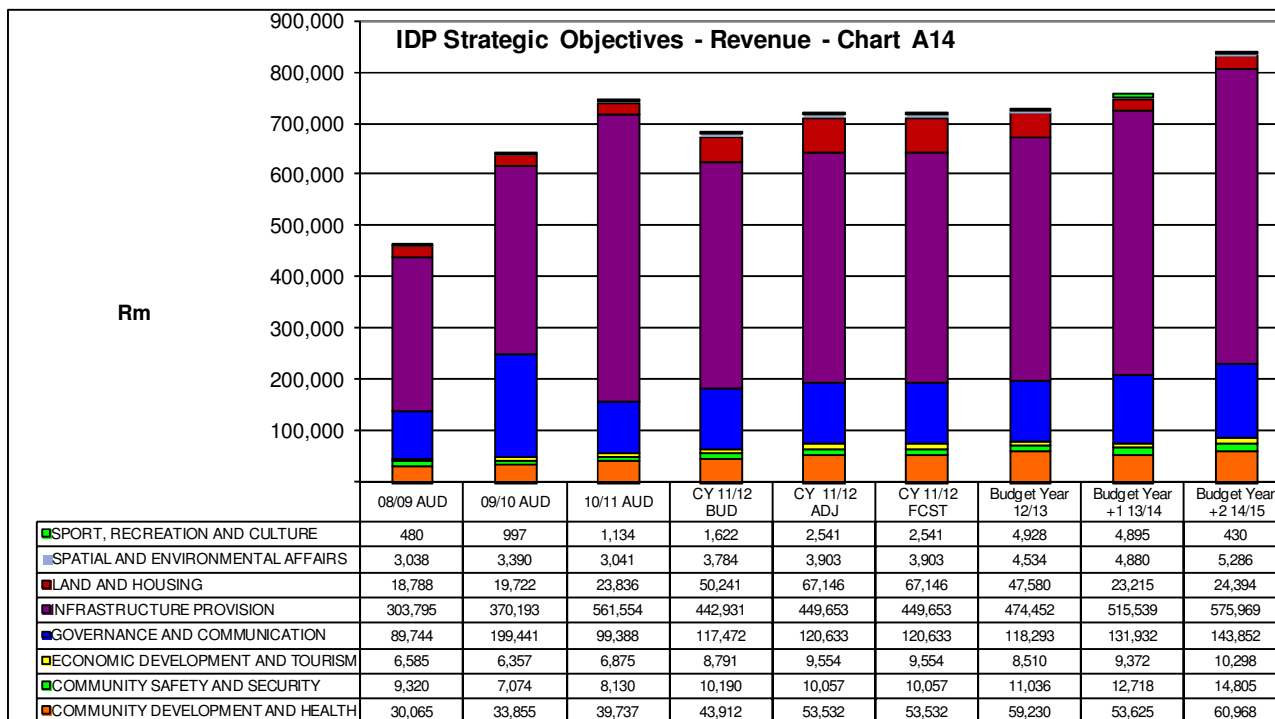


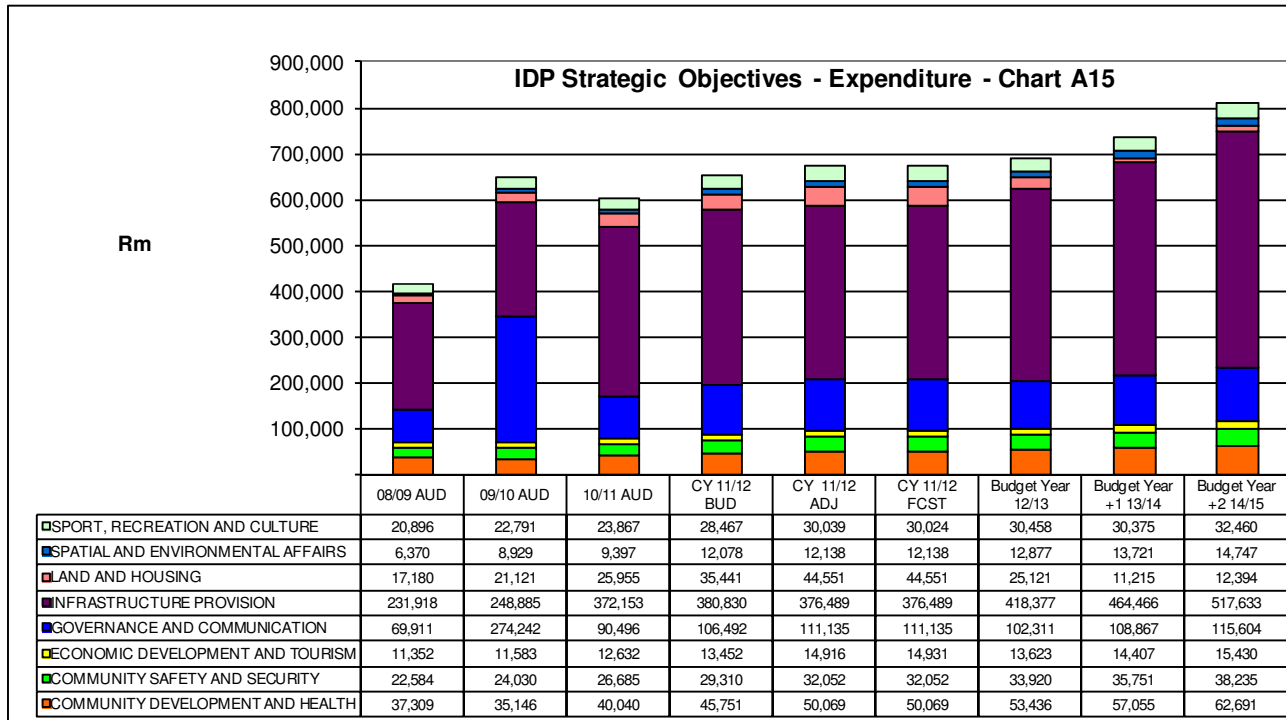
The following shows various charts and graphs on the **Capital budget** of the Municipality:



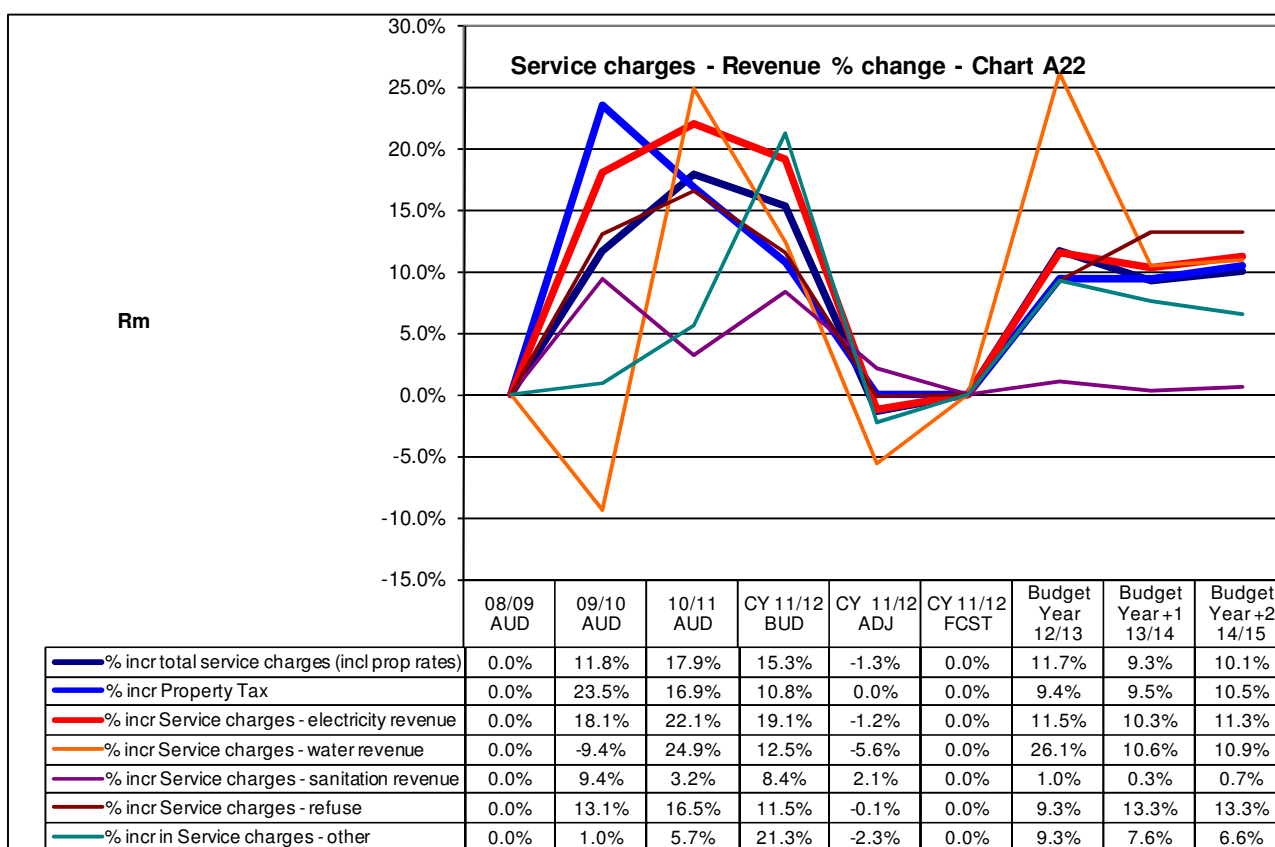
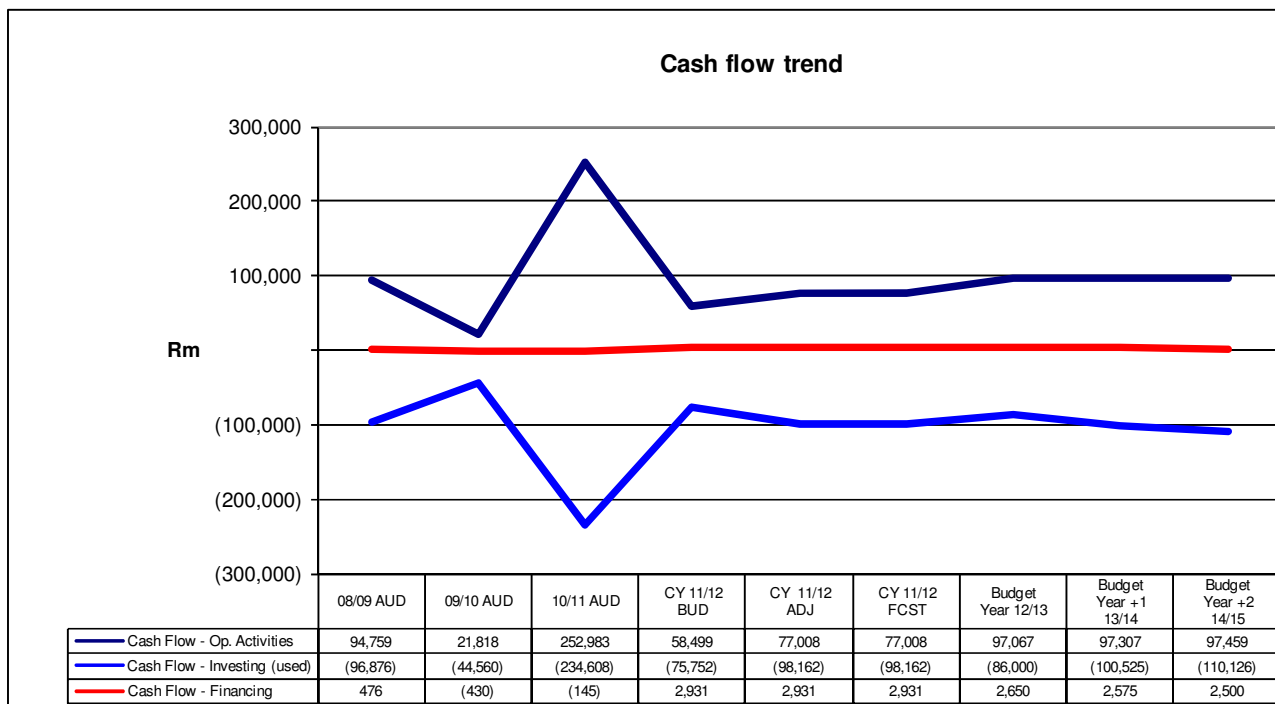


The following shows various charts and graphs on the link between the Integrated Development Plan (IDP) and the municipal Budget:

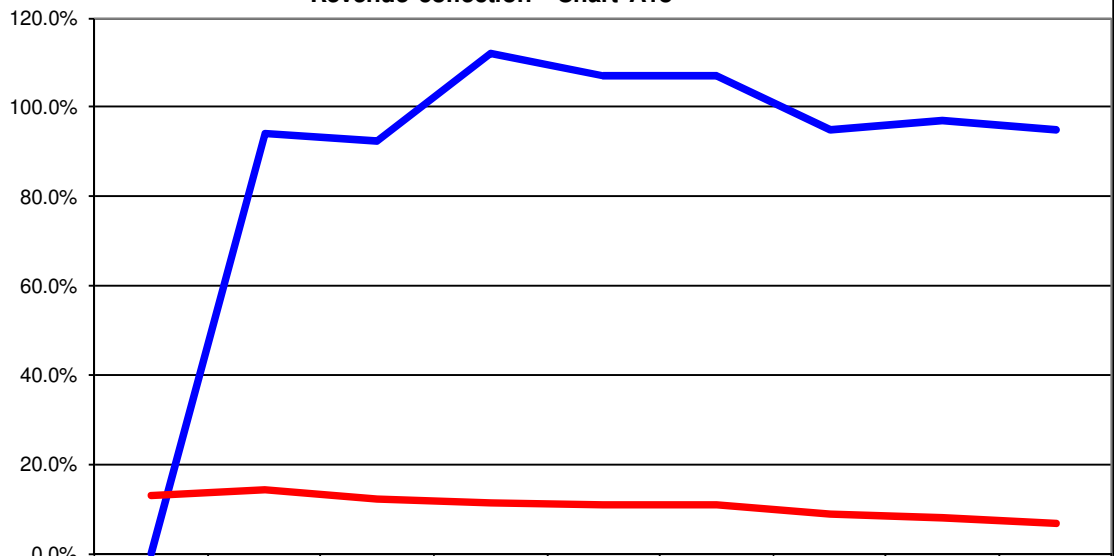




The following shows various charts and graphs on **Cash flow trends, Distribution losses, Debt collection**, etc:

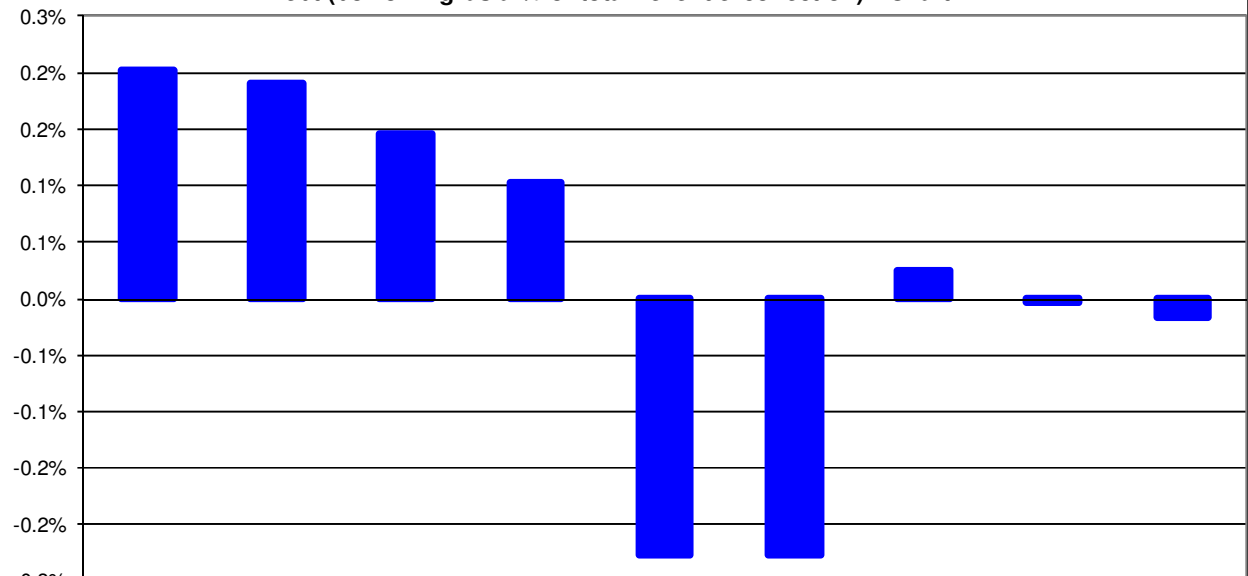


Revenue collection - Chart A18



Annual Debtors Collection	0.0%	94.2%	92.5%	112.0%	106.9%	107.0%	94.9%	96.9%	94.8%
O/S Debtors to Revenue	13.2%	14.3%	12.3%	11.2%	11.0%	11.0%	9.0%	7.9%	6.8%

Debt (borrowing as a % of total revenue collection) - Chart A17



Borrowing	0.2%	0.2%	0.1%	0.1%	-0.2%	-0.2%	0.0%	0.0%	0.0%
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Distribution losses - Chart A19

100.0%
80.0%
60.0%
40.0%
20.0%
0.0%

	08/09 AUD	09/10 AUD	10/11 AUD	CY 11/12 BUD	CY 11/12 ADJ	CY 11/12 FCST	Budget Year 12/13	Budget Year +1 13/14	Budget Year +2 14/15
Electricity	5.0%	7.5%	6.1%	8.5%	8.0%	8.0%	8.0%	7.5%	7.5%
Water	14.9%	21.6%	15.8%	20.0%	15.0%	15.0%	12.0%	10.0%	8.0%

Borrowed capex funding - Chart A20

0.4%
0.2%
0.0%
-0.2%
-0.4%
-0.6%
-0.8%
-1.0%
-1.2%
-1.4%
-1.6%

	08/09 AUD	09/10 AUD	10/11 AUD	CY 11/12 BUD	CY 11/12 ADJ	CY 11/12 FCST	Budget Year 12/13	Budget Year +1 13/14	Budget Year +2 14/15
Borrowed capex funding	0.2%	-1.5%	-0.8%	-0.5%	-0.5%	-0.5%	-0.7%	-0.7%	-0.7%

Expenditure analysis (of Total Revenue) - Chart A21

40.0%

30.0%

20.0%

10.0%

0.0%

	08/09 AUD	09/10 AUD	10/11 AUD	CY 11/12 BUD	CY 11/12 ADJ	CY 11/12 FCST	Budget Year 12/13	Budget Year +1 13/14	Budget Year +2 14/15
Employee costs	29.4%	26.9%	29.5%	28.6%	27.5%	27.5%	28.4%	28.6%	28.0%
Remuneration	28.3%	25.1%	30.8%	27.6%	26.7%	26.7%	27.5%	27.7%	27.1%
Repairs & Maintenance	8.6%	5.9%	6.0%	7.0%	7.4%	7.4%	6.8%	6.4%	6.3%
Finance charges & Depreciation	5.5%	4.7%	6.1%	6.5%	6.2%	6.2%	7.6%	7.7%	7.3%

7. SUPPORTING DOCUMENTATION

7.1. Budget process overview

POLITICAL OVERSIGHT OF THE BUDGET PROCESS

Section 53 (1) (a) of the MFMA (no 56 of 2003) stipulates that the Mayor of a municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.

Political oversight of the budget process is necessary to ensure that the needs and priorities of the community, as set out in the IDP, are properly linked to the municipality's spending plans. The mayoral committee is one of the key elements in accomplishing the linkage between the IDP and the Budget of a municipality.

SCHEDULE OF KEY DEADLINES RELATING TO THE BUDGET PROCESS

The mayor must, according to the MFMA, co-ordinate the processes for preparing the annual budget and for reviewing the municipality's IDP and budget-related policies. The mayor therefore tabled a schedule of key deadlines with regards to the budgetary process and the review of the municipality's IDP, in council on the 30 June 2011.

PURPOSE OF THE BUDGET AND IDP PROCESS PLAN

The purpose of the process plan is to indicate the various planned activities and strategies on which the municipality will embark to compose its Integrated Development Plan for the five year cycle (2012/2013-2016/2017) and the budget for the 2012/2013 financial year and the two outer years.

The process plan enhances integration and alignment between the IDP and the Budget, thereby ensuring the development of an IDP-based budget. It fulfills the role an operational framework for the IDP and Budget process outlining the manner in which this process was undertaken. In addition, it identifies the activities in the processes around the key statutory annual operational processes of the budget and IDP compilation, performance management implementation and the adoption of the municipality's annual report.

The approved schedule is set out below:



1.13-Incorporating Community inputs in Draft Ward Development plans		IDP Manager PP Office Ward Councillors CFO						15	30								
1.14-Tabling of Draft Ward Development Plans to Executive Management for perusal and comment	- Audit of Performance Measures	IDP Manager CFO Directors						30	10								
IDP & Budget Activity	PMS Activity	Responsibility	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12	
2. STRATEGIES																	
2.1-Review of Municipal Strategic Plan & LED Strategy - Workshop with Mayco & Council		Municipal Manager Directors Directorates and CFO LED Manager				22		14									
2.2-Directors to be provided with the previous years operating expenditure / income actual and current year projections to be used as a base for new Operating Budget	- Appointment of Internal Auditor - Appointment of the Audit Committee - Section 57 Managers Quarterly Assessments	CFO						15 / 30									
2.3 -Table Revised Strategic Plan & LED Strategy to Council for approval		Municipal Manager Directorates						24 / 28									
2.4-Attend District IDP Manager Forum Meeting to give overview of Outcome of IDP Community Meetings to Sector Departments		IDP Manager P P Officer						24 / 28									
2.5-Convening IDP Representative Forum Meeting – Consideration and refining of Ward Plans and Development Priorities, Integrate and Align Ward Plans with Municipal Strategic Plans.		CFO Municipal Manager IDP Office						31									

Activity	PMS Activity	Responsibility	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12
2.6-Review Municipal Spatial Development Framework		Director Development & Planning						05	31							
2.7-Engagements with Provincial Government regarding any adjustments to projected allocations for next 3 years in terms of the Medium-term Expenditure Framework		CFO and All Directors						31								
2.8-Updating and review of strategic elements of IDP in light of the new focus of Council		IDP Manager						31								
2.9- Table Ward-Based Strategic Development Plans to Council for approval to be incorporated in IDP								31	30							
2.10- Set Municipal Strategies, objectives, KPA's, KPI's and targets - Identification of priority IDP KPI's incorporate in IDP and link to budget	- Audit of Performance Measures	IDP Steering Committee CFO							01 / 30							
3. PROJECTS																
3.1- Directors determine future priority areas, Identify/Create Projects as outcome of Ward Plans with projected budget allocations and implementation timeframes to guide the budget and IDP for the next three years		Directors HOD's CFO							01 / 21							
3.2-Operational Budget: Income / Expenditure inputs and statistics to be returned to Budget Office		Directors							07 / 18							
3.3-Convene IDP Steering Committee Meeting to discuss projects identified per Ward with Budget Allocations; prioritise implementation and integration where possible.		IDP Manager IDP Steering Committee							10 / 18							

IDP & Budget Activity	PMS Activity	Responsibility	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12
			4. INTEGRATION													
4.1-Conclusion of Sector Plans and integration into the IDP document		IDP Manager								30						
4.2-Finalise departmental Plans and link to IDP		Directors IDP Manager								30						
4.3- Convening Budget Steering Committee Meeting for the purpose to discuss and prioritise draft Capital projects for the next three years	- Mayor tables annual Report - Advertise Annual Report and invite community inputs - Section 57 Managers Quarterly Assessments	Budget Steering Committee Executive Management									31					
4.4-Final review of municipal strategies, objectives, KPA's, KPI's and targets		IDP Manager IDP Steering Committee									31					
4.5-Review tariffs and charges and determine tariffs to balance the budget		CFO										15				
4.6-Review all budget related policies		CFO									31					
4.7-Adjustment Budget: Finalise Capital and Operational budget projections for 2011/2012		CFO									31					
4.8-Attend District IDP Managers Forum Meeting to discuss the alignment of IDP Strategic Development Goals with Eden DM		IDP Manager										01 / 10				
4.9-Directors identify projects and Forward local Budget Needs priorities to Eden DM. Project alignment between Eden DM and Mossel Bay Municipality												01 / 10				

4.10- Table Adjustment Budget to Council for approval	Amend IDP, SDBIP, KPI's and performance agreements i.t.o adjustment budget	CFO IDP Manager	28																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						</
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5.3-Present Draft IDP and Budget to Steering Committees for quality check	IDP & Budget Steering Committee IDP Manager	24 / 05	
5.4-Workshop draft IDP & budget and proposed tariffs with Council	IDP Manager CFO	06 / 11	
5.5-Municipal Manager presents final draft IDP, Budget and Budget related policies to the Mayor for perusal and tabling to Council	Municipal Manager	15 / 19	
5.6-Submit draft IDP, Budget, Related policies and proposed schedule of Ward Committee Meetings for post IDP & Budget Feedback/Consultation Process to Council (Principal Approval)	Municipal Manager CFO IDP Manager	23 / 31	
5.7-Forward Copy of preliminary approved Budget IDP, SDBIP & related documents to National & Provincial Treasury – 90 days before start of new financial year		02 / 06	
5.8-Attend District Budget Indaba-Sector departments to confirm projects budgeted for (2012/2013)	IDP Manager	02 / 13	
5.9-Attend District IDP Managers Forum- Present Draft IDP for input		02 / 13	



5.16-Send copy of approved Budget, IDP & related documents to National and Provincial Governments and other stakeholders	IDP Manager Budget Office	04 / 08
5.17-Publication of Approved Budget within 10 working days on Municipal Website	Budget Office Municipal Manager and Directors	04 / 15
5.18-Submit draft SDBIP to Mayor within 14 days after approval of budget	Municipal Manager	14
5.19 Mayor approves the municipality's SDBIP within 28 days after the approval of the budget	Mayor	28
5.20 Place IDP and related documents on CD for all councillors	IDP Manager Mayor	29

FLOWCHART ON THE BUDGET PROCESS

There are basically three different processes in the budgeting cycle running at the same time:

1. Reporting on Previous year budget,
2. Current year budget implementation, and
3. Preparation of the new financial year's budget (including the two following financial year estimates).

1. Reporting on Previous year budget:

This is mainly done through the compilation of the Annual Financial Statements of the previous financial year, including the Auditor-General's Audit Report. Another example is the different reporting formats to National and Provincial government on the previous year's budget and financial performance.

2. Current year budget implementation:

Implementation of the budget starts once the budget has been approved. An important document in the implementation of the budget is the Service Delivery and Budget Implementation Plan (SDBIP), which sets out the service delivery targets and performance indicators for the financial year. The SDBIP must be approved within 28 days after the approval of the budget.

Another important aspect is the monitoring and reporting on the current year budget. According to Section 71 of the MFMA, the accounting officer must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement on the state of the municipality's budget. This will enable the mayor to check if the approved budget is implemented in accordance with the SDBIP, consider revisions to the approved budget and identify any financial problems facing the municipality.

3. Preparation of the new financial year's budget:

There are six distinct steps to the preparation of the new financial year's budget:

- * Planning
Schedule key dates; establish consultation forums; review previous processes.
- * Strategic
Review IDP; internal and external consultations; set service delivery objectives for the next 3 years; consult on tariffs, indigent, credit control, free basic services, etc.; consider local, provincial and national issues; consult previous year's performance and current economic and demographic trends.
- * Preparation
Prepare revenue and expenditure projections; draft budget policies; consult and consider local, provincial and national priorities; measurement of past and current performance against the budget.
- * Tabling
Table complete proposed budget, IDP revisions and budget related policies no later than 1 April (90 days before the start of the new budget year) before council; make public the budget as soon as it has been tabled (via website, hard copies and electronic copies); consult with and consider formal local, provincial and national inputs or responses.

* Approving

After the Mayor has responded to recommendations and where necessary made revisions to the tabled budget, full council must meet no later than 31 May (30 days before the start of the new budget year) to consider the budget for approval. Council approves the budget and related policies before 1 July. Should the municipality fail to approve a budget before the start of the budget year, the mayor must inform the MEC for Finance immediately.

* Finalisation

Publish and approve SDBIP and annual performance agreements and indicators 28 days after the approval of the budget. A delegations policy of spending authority on budget votes is also critical for successful budget implementation and monitoring and evaluation.

CONSULTATION PROCESS

The Constitution of the Republic of South Africa, Act 108 of 1996, places an obligation on municipalities to encourage the involvement of communities and community organisations in the matters of local government. With the promulgation of the Municipal Systems Act, 32 of 2000, the attention of municipalities was focused anew on the need to encourage the involvement of communities in the affairs of the municipality. Section 16(1) of the Municipal Systems Act, No 32 van 2000 makes provision for a Municipality to create an opportunity to encourage the local community to participate in Municipal matters.

Through public participation the municipality is able to create development plans and render services that are more relevant to the needs and conditions of local communities. This in itself empowers local communities to have control over their own lives and livelihoods.

A good participation process is characterised by commitment from the municipality and those from the community that participate in the process. All relevant stakeholders that have an interest in the IDP process were provided the opportunity to participate directly or through representation.

In order for the Integrated Development Planning process to be an activity that addresses the real needs of the people of the greater Mossel Bay, the municipality organised a number of engagements to ensure that its citizenry and those who have vested interest in Mossel Bay could shape the IDP according to their needs and interest. Invitations to communities and all stakeholders were communicated in time in all three official languages of the Western Cape by means of;

- Publishing articles with dates of public engagement session in the local newspaper and Municipal newsletter.
- Dissemination of IDP educational flyers.
- Displaying of poster in all wards.
- Broadcasting on two regional radio stations.
- Loud Hailing.

The Municipality's IDP and Budget processes are people-driven. It is informed by Ward-based planning, analysis of ward needs and priorities, and public and stakeholder engagements. Mossel Bay Municipality is committed to ensuring community participation in the interests of participative democracy at a local government level. The commitment to community participation is underpinned by adherence to the Municipal Systems Act and the Municipal Finance Management Act, which require municipalities to consult with local communities through appropriate mechanisms, processes and procedures.

These include the piloting of a ward based planning approach through participation from all 14 Ward Committees during the community needs analysis and needs prioritisation phases. Mossel Bay Municipality utilises its Ward Committees as the primary consultative structure with regard to planning. Three rounds of Ward Committee Meetings were conducted in all 14 Wards apart from the normal IDP Public Engagement Sessions.

The Municipality also for the first time successfully established an external IDP Forum which comprises of representatives from Government Sector Departments, Business, Non-Governmental Organisations, Community Organisations, Ward Committee Members, Councillors and selected officials. Provide an organisational mechanism for discussion, negotiation and decision making between stakeholders. The IDP Forum met on 27 September 2011 and serves as a platform for discussion, negotiation and decision-making between stakeholders on matters relating to service delivery and integrated development planning.

The Public engagement sessions were generally well attended except for some wards where the turnout was lower than expected. Although the outcome of this round of engagements shows an improvement in relation to previous years, the municipality, however, identified some shortcomings in the process that will definitely be attended to during the next IDP review process. The municipality is committed towards enhancing good relationships with its citizens and therefore intends to allocate more resources in mobilising the community to participate in municipal affairs.

The table below outlines the schedule of public participation engagement sessions held and the number of people in attendance as recorded by means of signed attendance registers:

Ward	Venue	Date	Councillor	Attendance
1	Kwanongqaba Community Hall	15 August	N R Mzola	141
2	Kwanongqaba Community Hall	16 August	N P Jwili	105
3	Asla Park Community Hall	18 August	T M N Mkayo	57
6	Voortrekker Hall	22 August	E Scheepers	25
4	Reebok Community Hall	23 August	K H Smit	20
4	Brandwacht Community Hall	25 August	K H Smit	51
5	Great Brak Municipal Offices	29 August	J J Gerber	25
7	Herbertsdale Church Hall	30 August	J van der Merwe	69
7	Sonskyn Vallei Community Hall	01 September	J van der Merwe	98
8	Mossel Bay Town Hall	05 September	N J Lodewyks	34
7	Boggoms Bay Community Hall	06 September	J van der Merwe	28
9	D'Almeida Community Hall	08 September	E Meyer	94
10	Hartenbos Library Hall	12 September	P Terblanche	39
11	Asla Community Hall	13 September	P A Du Plessis	50
11	Danabaai Community Hall	15 September	P A Du Plessis	49
12	Joe Slovo Community Hall	19 September	N P Malilwana	117
13	Indoor Sport Centre	20 September	S Moodie	48
14	Dene Prag Primary School : Ruiterbos	21 September	J C Bayman	113
14	Greenhaven Community Hall	22 September	J C Bayman	74
14	Friemersheim Community Hall	26 September	J C Bayman	30

7.2. Alignment between Budget and the Integrated Development Plan (IDP)

AMENDMENTS TO THE INTEGRATED DEVELOPMENT PLAN (IDP)

- Revision of the lay-out and format of the document
- Inclusion of section on Self-assessment of planning process
- Inclusion of a Chapter on the Municipality's internal development strategies
- Inclusion of a Chapter on Intergovernmental Strategy alignment with outcome based Sector Departments' projects and programmes
- Inclusion of a Chapter on Development Strategies and Projects per KPA

RECONCILIATION OF IDP & BUDGET: OPERATING REVENUE

Strategic Objective	Goal	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
COMMUNITY DEVELOPMENT AND HEALTH	CEMETERIES	105	145	174	193	226	226	204	222	240
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH: CLINICS	–	–	–	–	–	–	–	–	–
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH: COMMUNITY SERVICE	–	–	–	–	–	–	–	–	–
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH: GENERAL	–	–	–	–	–	–	–	–	–
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH: PRIME CARE	–	–	–	–	–	–	–	–	–
COMMUNITY DEVELOPMENT AND HEALTH	LIBRARIES	622	920	944	975	954	954	7,079	168	186
COMMUNITY DEVELOPMENT AND HEALTH	SOCIO-ECON.PLANNING/DEVELOPM.	211	186	217	200	7,179	7,179	4,302	362	375
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING : REFUSE REMOVAL SERV	29,128	32,213	38,185	42,317	42,279	42,279	47,396	52,599	59,868
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING : STREET CLEANING	–	357	206	226	2,882	2,882	249	274	298
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING : TRANSFER STATIONS	–	35	11	–	12	12	–	–	–
COMMUNITY SAFETY AND SECURITY	FIRE BRIGADE & RESCUE SERVICES	79	100	77	120	100	100	92	94	98
COMMUNITY SAFETY AND SECURITY	MUNICIPAL POLICE & TRAFFIC	9,242	6,974	8,053	10,070	9,957	9,957	10,944	12,623	14,706
COMMUNITY SAFETY AND SECURITY	LAW ENFORCEMENT	–	–	–	–	–	–	–	–	–
COMMUNITY SAFETY AND SECURITY	SECURITY SERVICES	–	–	–	–	–	–	–	–	–
ECONOMIC DEVELOPMENT AND TOURISM	INDUSTRIAL & TOURISM MARKETING	–	–	–	–	–	–	–	–	–
ECONOMIC DEVELOPMENT AND TOURISM	BEACHES	41	24	28	1,028	2,037	2,037	35	36	38
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :DIAS	–	–	–	–	–	–	–	–	–
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :POINT	1,793	1,920	2,050	2,215	2,330	2,330	2,622	2,858	3,114
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :SANTOS / BAKKE	2,437	2,433	2,622	3,003	3,007	3,007	3,303	3,600	3,924
ECONOMIC DEVELOPMENT AND TOURISM	CHALETS : DE BAKKE	2,314	1,981	2,175	2,545	2,180	2,180	2,550	2,878	3,221
ECONOMIC DEVELOPMENT AND TOURISM	CHALETS : DIASSTRAND	–	–	–	–	–	–	–	–	–
GOVERNANCE AND COMMUNICATION	MUNICIPAL MANAGER : ADMIN	16	10	–	–	2	2	3	3	4
GOVERNANCE AND COMMUNICATION	COUNCIL : GENERAL EXPENSES	38,263	135,893	25,023	35,906	38,638	38,638	29,608	34,918	36,528
GOVERNANCE AND COMMUNICATION	LEGAL SERVICES	–	–	–	–	–	–	16	18	19
GOVERNANCE AND COMMUNICATION	MANAGER CORPORATE SERV : ADMIN	8	260	208	135	403	403	117	122	123
GOVERNANCE AND COMMUNICATION	CUSTOMER CARE	–	–	–	–	–	–	–	–	–
GOVERNANCE AND COMMUNICATION	HUMAN RESOURCES	609	749	905	900	905	905	600	660	739
GOVERNANCE AND COMMUNICATION	MANAGER FINANCIAL SERV : ADMIN	3,005	3,660	4,889	5,166	4,687	4,687	5,341	5,773	6,476
GOVERNANCE AND COMMUNICATION	ASSESSMENT RATES	46,378	57,285	66,958	74,162	74,179	74,179	81,125	88,817	98,125
GOVERNANCE AND COMMUNICATION	COMPUTER CENTRE	0	0	0	1	172	172	0	0	0
GOVERNANCE AND COMMUNICATION	PAYROLL MANAGEMENT	–	–	–	–	–	–	–	–	–
GOVERNANCE AND COMMUNICATION	SUPPLY CHAIN MANAGEMENT	65	141	79	100	87	87	83	88	91
GOVERNANCE AND COMMUNICATION	VALUATIONS	–	–	–	–	–	–	–	–	–
GOVERNANCE AND COMMUNICATION	MANAGER TECHNICAL SERV : ADMIN	–	–	–	–	–	–	–	–	–
GOVERNANCE AND COMMUNICATION	MANAGER COMMUNITY SERV : ADMIN	–	–	–	–	–	–	–	–	–
GOVERNANCE AND COMMUNICATION	MECHANICAL SERVICES	–	–	46	–	–	–	–	–	–
GOVERNANCE AND COMMUNICATION	MUNICIPAL BUILDINGS & LAND	1,399	1,442	1,279	1,103	1,561	1,561	1,401	1,534	1,746

RECONCILIATION OF IDP & BUDGET: OPERATING REVENUE (Continued)

Strategic Objective	Goal	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
INFRASTRUCTURE PROVISION	ELECTRICITY ADMINISTRATION	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	ELECTRICITY DISTRIBUTION	156,190	191,296	235,665	268,988	266,701	266,701	288,148	317,495	359,188
INFRASTRUCTURE PROVISION	MAIN ROADS	811	–	–	50	50	50	50	–	–
INFRASTRUCTURE PROVISION	STORMWATER DRAINAGE	11,697	4,110	1	–	584	584	–	–	–
INFRASTRUCTURE PROVISION	STREETS	7,366	5,306	7,251	15,911	16,910	16,910	12,801	4,909	7,161
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - RUITERBOS	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - BRANDWACHT	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - PINNACLE POINT	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - REGIONAL PL	3	2	3	2	2	2	–	–	–
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - GREAT BRAK	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - HERBERTSDAL	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - FRIEMERSHEIM	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	SEW : RETIC SERV - EXTERNAL	3,025	862	3,590	3	94	94	3	3	3
INFRASTRUCTURE PROVISION	SEW : RETIC SERV - NETWORK	55,542	60,249	62,027	71,064	72,002	72,002	71,974	73,174	73,659
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - RUITERBOS	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - LODEWYKS	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	WATER : PURIF WORKS - KLEIN BRAK	–	4,750	0	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - SANDHOOGTE	38	65	53	45	50	50	(59)	(65)	(71)
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - GREAT BRAK	0	306	3,112	–	3,441	3,441	–	8,696	12,000
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - FRIEMERSHEIM	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - HERBERTSDALE	–	–	–	–	–	–	–	–	–
INFRASTRUCTURE PROVISION	WATER : DISTRIBUTION SERVICES	68,599	63,561	78,851	11,043	10,693	10,693	11,837	12,218	14,231
INFRASTRUCTURE PROVISION	WATER : EXTERNAL SERVICES	524	39,688	171,001	75,826	79,127	79,127	89,698	99,109	109,796
LAND AND HOUSING	INTEGRATED HUMAN SETTLEMENTS	18,788	19,722	23,836	50,241	67,146	67,146	47,580	23,215	24,394
SPATIAL AND ENVIRONMENTAL AFFAIRS	TOWN PLAN & BUILDING CONTROL	3,038	3,390	3,041	3,784	3,903	3,903	4,534	4,880	5,286
SPORT, RECREATION AND CULTURE	TOWN HALL & COMMUNITY HALLS	308	192	225	254	234	234	250	278	309
SPORT, RECREATION AND CULTURE	PLANTATIONS	54	5	463	30	15	15	20	22	24
SPORT, RECREATION AND CULTURE	PARKS: HARRY GIDDY PARK	–	8	6	9	6	6	6	7	7
SPORT, RECREATION AND CULTURE	PARKS & RECREATION	4	3	378	1,253	2,219	2,219	1,753	3	3
SPORT, RECREATION AND CULTURE	SPORT GROUNDS	113	789	62	77	68	68	2,900	4,586	87
Allocations to other priorities										
Total Revenue (excluding capital transfers and contributions)		461,815	641,029	743,696	678,943	717,019	717,019	728,563	756,176	836,001

RECONCILIATION OF IDP & BUDGET: OPERATING EXPENDITURE

Strategic Objective	Goal	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
COMMUNITY DEVELOPMENT AND HEALTH	CEMETERIES	508	651	649	700	780	780	758	803	863
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH: CLINICS	–	–	–	–	–	–	–	–	–
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH: COMMUNITY SERVICE	–	–	–	–	–	–	–	–	–
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH: GENERAL	–	–	–	–	–	–	–	–	–
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH: PRIME CARE	–	–	–	–	–	–	–	–	–
COMMUNITY DEVELOPMENT AND HEALTH	LIBRARIES	4,335	5,133	5,106	5,975	6,188	6,188	6,534	7,139	7,840
COMMUNITY DEVELOPMENT AND HEALTH	SOCIO-ECON.PLANNING/DEVELOPM.	2,076	2,879	3,699	3,941	4,090	4,090	5,526	5,969	6,417
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING : REFUSE REMOVAL SERV	27,730	23,358	26,890	30,825	32,231	32,242	36,358	38,601	42,712
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING : STREET CLEANING	1,679	1,972	2,243	2,623	5,244	5,256	2,702	2,882	3,087
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING : TRANSFER STATIONS	981	1,152	1,453	1,687	1,536	1,513	1,559	1,662	1,771
COMMUNITY SAFETY AND SECURITY	FIRE BRIGADE & RESCUE SERVICES	8,904	10,127	10,949	12,460	11,941	11,941	12,759	13,732	14,727
COMMUNITY SAFETY AND SECURITY	MUNICIPAL POLICE & TRAFFIC	13,679	13,903	15,737	16,850	20,111	20,111	18,820	19,511	20,801
COMMUNITY SAFETY AND SECURITY	LAW ENFORCEMENT	–	–	–	–	–	–	2,342	2,508	2,707
COMMUNITY SAFETY AND SECURITY	SECURITY SERVICES	–	–	–	–	–	–	–	–	–
ECONOMIC DEVELOPMENT AND TOURISM	INDUSTRIAL & TOURISM MARKETING	1	1	1	0	0	0	–	0	0
ECONOMIC DEVELOPMENT AND TOURISM	BEACHES	4,379	4,076	4,012	5,273	6,400	6,415	4,455	4,711	5,040
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :DIAS	16	20	28	–	28	28	33	36	40
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :POINT	1,619	1,742	2,007	2,238	2,275	2,275	2,352	2,510	2,710
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :SANTOS / BAKKE	1,578	1,565	2,065	1,912	2,139	2,070	2,224	2,364	2,563
ECONOMIC DEVELOPMENT AND TOURISM	CHALETs : DE BAKKE	3,535	4,127	4,477	4,029	4,029	4,098	4,503	4,727	5,010
ECONOMIC DEVELOPMENT AND TOURISM	CHALETs : DIASSTRAND	223	52	41	–	45	45	56	60	67
GOVERNANCE AND COMMUNICATION	MUNICIPAL MANAGER : ADMIN	1,685	1,302	1,373	1,499	1,504	1,510	1,566	1,638	1,710
GOVERNANCE AND COMMUNICATION	COUNCIL : GENERAL EXPENSES	31,732	232,754	43,937	53,948	58,160	58,234	44,094	48,219	51,495
GOVERNANCE AND COMMUNICATION	LEGAL SERVICES	–	–	–	–	–	–	4,553	4,901	5,323
GOVERNANCE AND COMMUNICATION	MANAGER CORPORATE SERV : ADMIN	8,303	9,898	10,192	10,273	9,673	9,673	8,656	8,992	9,348
GOVERNANCE AND COMMUNICATION	CUSTOMER CARE	1,355	318	420	499	487	487	866	921	1,004
GOVERNANCE AND COMMUNICATION	HUMAN RESOURCES	3,769	5,112	5,666	6,259	6,528	6,528	6,397	6,801	7,339
GOVERNANCE AND COMMUNICATION	MANAGER FINANCIAL SERV : ADMIN	11,716	12,778	14,045	16,177	15,604	15,524	16,229	16,727	17,754
GOVERNANCE AND COMMUNICATION	ASSESSMENT RATES	–	–	–	–	–	–	2,200	2,530	2,910
GOVERNANCE AND COMMUNICATION	COMPUTER CENTRE	1,911	1,834	1,978	2,449	2,981	2,981	3,478	3,655	3,447
GOVERNANCE AND COMMUNICATION	PAYROLL MANAGEMENT	–	–	–	–	–	–	–	–	–
GOVERNANCE AND COMMUNICATION	SUPPLY CHAIN MANAGEMENT	1,586	2,574	3,337	3,603	3,672	3,672	4,273	4,576	4,923
GOVERNANCE AND COMMUNICATION	VALUATIONS	1,440	1,298	2,212	4,163	5,259	5,259	2,277	2,069	2,263
GOVERNANCE AND COMMUNICATION	MANAGER TECHNICAL SERV : ADMIN	350	634	663	72	(64)	(64)	115	(56)	(165)
GOVERNANCE AND COMMUNICATION	MANAGER COMMUNITY SERV : ADMIN	667	719	835	898	997	997	846	847	859
GOVERNANCE AND COMMUNICATION	MECHANICAL SERVICES	–	219	685	1,328	1,302	1,302	1,569	1,681	1,811
GOVERNANCE AND COMMUNICATION	MUNICIPAL BUILDINGS & LAND	5,397	4,805	5,154	5,325	5,032	5,032	5,192	5,366	5,583

RECONCILIATION OF IDP & BUDGET: OPERATING EXPENDITURE (Continued)

Strategic Objective	Goal	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
INFRASTRUCTURE PROVISION	ELECTRICITY ADMINISTRATION	5,948	7,043	6,698	8,095	8,154	8,154	7,969	8,649	9,428
INFRASTRUCTURE PROVISION	ELECTRICITY DISTRIBUTION	112,169	130,006	159,635	198,525	200,760	200,760	220,601	251,183	285,989
INFRASTRUCTURE PROVISION	MAIN ROADS	889	–	562	63	63	63	63	–	–
INFRASTRUCTURE PROVISION	STORMWATER DRAINAGE	3,476	3,404	5,672	4,798	7,305	7,305	7,644	8,173	8,741
INFRASTRUCTURE PROVISION	STREETS	22,880	20,114	16,501	28,438	25,519	25,519	29,487	31,813	34,186
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - RUITERBOS	–	–	–	75	41	41	42	45	49
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - BRANDWACHT	–	–	–	34	34	34	28	30	33
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - PINNACLE POINT	1,201	2,778	2,281	2,944	1,486	1,486	1,478	1,579	1,704
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - REGIONAL PL	5,722	7,862	7,974	9,974	9,776	9,776	11,447	12,557	14,021
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - GREAT BRAK	300	439	456	555	565	565	579	629	682
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - HERBERTSDAL	96	106	104	139	140	140	143	156	171
INFRASTRUCTURE PROVISION	SEW : PURIF SERV - FRIEMERSHEIM	252	353	336	365	363	363	384	412	446
INFRASTRUCTURE PROVISION	SEW : RETIC SERV - EXTERNAL	6,212	4,674	7,768	7,826	9,310	9,310	10,545	11,171	12,020
INFRASTRUCTURE PROVISION	SEW : RETIC SERV - NETWORK	21,612	19,836	24,201	27,424	23,885	23,885	28,759	31,616	33,685
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - RUITERBOS	–	–	–	86	47	47	51	54	59
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - LODEWYKS	–	–	–	46	32	32	46	49	54
INFRASTRUCTURE PROVISION	WATER : PURIF WORKS - KLEIN BRAK	16,690	14,617	25,198	11,229	11,177	11,177	12,719	13,441	14,620
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - SANDHOOGTE	3,255	3,207	2,822	3,745	3,710	3,710	3,830	4,077	4,437
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - GREAT BRAK	1,991	2,356	2,584	2,747	2,399	2,399	2,489	2,699	2,961
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - FRIEMERSHEIM	337	305	297	378	357	357	526	567	612
INFRASTRUCTURE PROVISION	WATER : PURIFWORKS - HERBERTSDALE	80	104	75	127	106	106	124	136	149
INFRASTRUCTURE PROVISION	WATER : DISTRIBUTION SERVICES	20,063	22,807	31,009	32,455	31,712	31,712	36,456	39,751	44,540
INFRASTRUCTURE PROVISION	WATER : EXTERNAL SERVICES	8,744	8,874	77,979	40,765	39,550	39,550	42,967	45,677	49,046
LAND AND HOUSING	INTEGRATED HUMAN SETTLEMENTS	17,180	21,121	25,955	35,441	44,551	44,551	25,121	11,215	12,394
SPATIAL AND ENVIRONMENTAL AFFAIRS	TOWN PLAN & BUILDING CONTROL	6,370	8,929	9,397	12,078	12,138	12,138	12,877	13,721	14,747
SPORT, RECREATION AND CULTURE	TOWN HALL & COMMUNITY HALLS	2,991	3,290	3,423	3,924	3,735	3,735	4,057	4,324	4,662
SPORT, RECREATION AND CULTURE	PLANTATIONS	249	323	844	834	1,024	1,024	765	814	868
SPORT, RECREATION AND CULTURE	PARKS: HARRY GIDDY PARK	–	831	907	995	949	949	1,021	1,084	1,168
SPORT, RECREATION AND CULTURE	PARKS & RECREATION	14,570	15,300	15,301	18,323	19,000	19,000	18,896	18,114	19,347
SPORT, RECREATION AND CULTURE	SPORT GROUNDS	3,086	3,047	3,392	4,391	5,330	5,315	5,720	6,040	6,415
Allocations to other priorities										
Total Expenditure		417,519	646,726	601,224	651,821	671,388	671,388	690,124	735,858	809,193

RECONCILIATION OF IDP & BUDGET: CAPITAL EXPENDITURE

Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand												
COMMUNITY DEVELOPMENT AND HEALTH	CEMETERIES			153	88	260	50	50	50	100		
SPORT , RECREATION & CULTURE	TOWN HALL & COMMUNITY HALLS			20	493							
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH			–	–							
COMMUNITY SAFETY AND SECURITY	FIRE BRIGADE &RESCUE SERVICES			40	925	2,232	600	746	746	100	250	100
COMMUNITY SAFETY AND SECURITY	MUNICIPAL POLICE & TRAFFIC			85	2,150	1,979	400	191	191	20		
COMMUNITY SAFETY AND SECURITY	SECURITY SERVICES			–	–							
ECONOMIC DEVELOPMENT AND TOURISM	INDUSTRIAL & TOURISM MARKETING			–	–							
ECONOMIC DEVELOPMENT AND TOURISM	BEACHES			445	788	1,403	550	110	110	546	350	
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARKS			25	–		300	300	300	1,170	50	–
ECONOMIC DEVELOPMENT AND TOURISM	CHALETS			250	340	322	80	80	80			
GOVERNNNANCE AND COMMUNICATION	CARAVAN PARKS									200	–	–
GOVERNNNANCE AND COMMUNICATION	MUNICIPAL MANAGER : ADMIN			11	37		–	–	–			
GOVERNNNANCE AND COMMUNICATION	COUNCIL : GENERAL EXPENSES			69	182	110	12	12	12	–	500	–
GOVERNNNANCE AND COMMUNICATION	CUSTOMER CARE			–	–							
GOVERNNNANCE AND COMMUNICATION	MANAGER CORPORATE SERV : ADMIN			56	1,495	683	39	39	39			
GOVERNNNANCE AND COMMUNICATION	HUMAN RESOURCES			53	38	33	139	276	276	15	25	–
GOVERNNNANCE AND COMMUNICATION	LIBRARIES			13	147	163	320	330	330	89	81	2
GOVERNNNANCE AND COMMUNICATION	LIBRARIES:D'ALMEIDA					10	9	9	9			
GOVERNNNANCE AND COMMUNICATION	LIBRARIES :ELLEN VAN RENSBURG			2	23	2	13	13	13			
GOVERNNNANCE AND COMMUNICATION	LIBRARIES :HARTENBOS			6	16		48	48	48			
GOVERNNNANCE AND COMMUNICATION	LIBRARIES :KWA-NONQABA			50	1							
GOVERNNNANCE AND COMMUNICATION	SOCIO-ECON.PLANNING/DEVELOPM.			–	–	3,501	2,109	8,421	8,421	178	15	70
GOVERNNNANCE AND COMMUNICATION	MANAGER FINANCIAL SERV : ADMIN			129	134	640	24	24	24	15	15	
GOVERNNNANCE AND COMMUNICATION	ASSESSMENT RATES			–	–							
GOVERNNNANCE AND COMMUNICATION	COMPUTER CENTRE			1,938	493	854	2,398	2,623	2,623	850	175	485
GOVERNNNANCE AND COMMUNICATION	PAYROLL MANAGEMENT			–	–							
GOVERNNNANCE AND COMMUNICATION	SUPPLY CHAIN MANAGEMENT			23	107	47	41	60	60	14		
GOVERNNNANCE AND COMMUNICATION	VALUATIONS			2	–		153	153	153	112	15	15
GOVERNNNANCE AND COMMUNICATION	MANAGER CIVIL SERV : ADMIN			10	3	158	160	160	160	22	10	10
GOVERNNNANCE AND COMMUNICATION	MANAGER COMMUNITY SERV : ADMIN			–	–	233	140	559	559	374	787	
GOVERNNNANCE AND COMMUNICATION	CLEANSING: REFUSE REMOVAL			51	627	12	560	560	560	100	150	–
GOVERNNNANCE AND COMMUNICATION	CLEANSING: TRANSFER STATIONS			25	86							
GOVERNNNANCE AND COMMUNICATION	FIRE BRIGADE &RESCUE SERVICES			861	200	50	1,435	1,435	1,435	1,650	750	820
GOVERNNNANCE AND COMMUNICATION	ELECTRICITY: DISTRIBUTION			18,651	954	220	400	3,165	3,165	820	500	500
GOVERNNNANCE AND COMMUNICATION	ELECTRICITY ADMINISTRATION			17	120	170	100	100	100	25	25	25
GOVERNNNANCE AND COMMUNICATION	MUNICIPAL BUILDINGS & LAND			23	3,900	623	25	25	25			

RECONCILIATION OF IDP & BUDGET: CAPITAL EXPENDITURE (Continued)

Strategic Objective	Goal	Goal Code	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework			
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	
R thousand													
GOVERNANCE AND COMMUNICATION	MUNICIPAL POLICE & TRAFFIC			677	325	615	915	915	915	460	800	150	
GOVERNANCE AND COMMUNICATION	SPORT GROUNDS			–	200	65	368	500	500	286	1,157	1,310	
GOVERNANCE AND COMMUNICATION	PARKS & RECREATION			1,094	876	741	75	75	75	555	–	385	
GOVERNANCE AND COMMUNICATION	SEWERAGE : RETIC SERV-EXTERNAL			–	30	10							
GOVERNANCE AND COMMUNICATION	SEWERAGE : PURIF SERV-REGIONAL PL					147	210	354	354	255	260	180	
GOVERNANCE AND COMMUNICATION	SEWERAGE : RETIC SERV-NETWORK					278	40	40	40	55	240	55	
GOVERNANCE AND COMMUNICATION	STREETS			233	918	1,002	1,210	1,170	1,170	1,605	860	195	
GOVERNANCE AND COMMUNICATION	TOWN HALL & COMMUNITY HALLS			776	150	165	120	179	179	61	–	–	
GOVERNANCE AND COMMUNICATION	TOWN PLAN & BUILDING CONTROL			200	110	80	20	23	23	30	20	20	
GOVERNANCE AND COMMUNICATION	HUMAN SETTLEMENT						415	354	354				
GOVERNANCE AND COMMUNICATION	WATER : EXTERNAL SERVICES			500	40	738				200	–	–	
GOVERNANCE AND COMMUNICATION	WATER : DISTRIBUTION SERVICES					167	1,070	11,051	11,051	465	560	515	
GOVERNANCE AND COMMUNICATION	WATER :PURIFICATION WORKS-KLEIN BRAK					10	10	10	10	40	10	10	
GOVERNANCE AND COMMUNICATION	PLANTATIONS						417	236	236				
GOVERNANCE AND COMMUNICATION	CHALETS :DE BAKKE			12	70	178	200	313	313				
GOVERNANCE AND COMMUNICATION	LAW ENFORCEMENT									350	–	–	
GOVERNANCE AND COMMUNICATION	LEGAL SERVICES									260	–	–	
LAND & INTEGRATED HUMAN SETTLEMENT	HUMAN SETTLEMENT			153	3,847	6,173	14,800	17,100	17,100	22,465	12,000	12,000	
DEVELOPMENT OF NEW SERVICES & INFRASTRU	ELECTRICITY DISTRIBUTION			821	24,915	29,932	18,220	20,437	20,437	20,140	20,400	24,300	
DEVELOPMENT OF NEW SERVICES & INFRASTRU	MUNICIPAL BUILDINGS & LAND			560	–								
DEVELOPMENT OF NEW SERVICES & INFRASTRU	MAIN ROADS			533	–								
DEVELOPMENT OF NEW SERVICES & INFRASTRU	STORMWATER DRAINAGE			18,057	8,000	4,305	5,575	980	980	5,800	6,490	7,100	
DEVELOPMENT OF NEW SERVICES & INFRASTRU	STREETS			13,094	28,250	21,788	34,367	26,571	26,571	22,314	15,367	17,732	
DEVELOPMENT OF NEW SERVICES & INFRASTRU	SEWERAGE			12,002	14,056	17,434	16,625	17,600	17,600	12,655	12,290	12,280	
DEVELOPMENT OF NEW SERVICES & INFRASTRU	WATER			27,100	46,561	157,594	5,270	19,742	19,742	7,880	23,706	30,130	
DEVELOPMENT OF NEW SERVICES & INFRASTRU	MECHANICAL SERVICES									450	500	550	
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING			–	–		3,460	3,460	3,460	–	–	–	
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING :REFUSE REMOVAL SERV			–	840	1,945		1,949	1,949	2,410	170	2,450	
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING :TRANSFER STATION			–	41					100	–	–	
COMMUNITY DEVELOPMENT AND HEALTH	MUNICIPAL MANAGER : ADMIN						1,500	1,500	1,500	1,500	–	–	
COMMUNITY DEVELOPMENT AND HEALTH	TOWN HALL & COMMUNITY HALLS					219	230	230	230	200	–	–	
COMMUNITY DEVELOPMENT AND HEALTH	MUNICIPAL BUILDINGS & LAND									90	200	–	
COMMUNITY DEVELOPMENT AND HEALTH	LIBRARIES									6,000			
COMMUNITY DEVELOPMENT AND HEALTH	SOCIO-ECON.PLANNING/DEVELOPM.							2,000	2,000	4,000	–	–	
SPATIAL AND ENVIRONMENTAL AFFAIRS	TOWN PLAN & BUILDING CONTROL			144	–								
SPORT, RECREATION AND CULTURE	PARKS & RECREATION			–	208	287	150	181	181	94	40	–	
SPORT, RECREATION AND CULTURE	PARKS:HARRY GIDDY PARK					4	31	31	31				
SPORT, RECREATION AND CULTURE	SPORT GROUNDS			1,538	3,321	2,958	2,620	2,292	2,292	4,380	4,808	1,112	
Allocations to other priorities				3									
Total Capital Expenditure				1	100,502	146,105	260,538	118,021	148,780	148,780	121,500	103,575	112,501

7.3. Budget-related Policies overview and amendments

OVERVIEW OF BUDGET-RELATED POLICIES

Proper budgets are prepared in accordance with approved policies. A budget-related policy is a municipal policy affecting or affected by the annual budget of the municipality. These policies are necessary for effective financial management and the achievement of priorities and strategic goals of the community. The budget-related policies are reviewed annually during the budget preparation process.

Below is a list of the budget-related policies, including the purpose, last approval date of the policy and if any amendments need to be approved by council.

Policy name	Purpose of Policy (what is included in the policy)	Last approved	Amendments to be approved (YES/NO)
Rates Policy	Prescribes uniform rates structures to give effect to its strategic objectives in terms of the IDP and Budget requirements	03/05/11	YES
Tariff Policy	Prescribes uniform tariff structures on the levying of fees for municipal services provided	03/05/11	YES
Customer care, Indigent, Credit control, Debt collection and Tampering policy	Sets a revenue collection target and outlines how the municipality will act against defaulters ; Specifies the framework for providing relief from the burden of rates and tariffs to registered or otherwise identified indigents	03/05/11	YES
Cash Management and Investments policy	Deals with interest earned on investments and with raising both short and long-term debt	03/05/11	YES
Asset management policy	Includes capitalisation benchmarks, depreciation norms, and maintenance requirements	03/05/11	YES
Funding and Reserve policy	Includes policy on contributions to and withdrawals from funds and reserves, utilisation of unappropriated operating surpluses	03/05/11	YES
Debt and Borrowing policy	This policy provides for the municipality to obtain short- and long-term debt and set out all conditions under which the municipality will be entitled to obtain such debt	03/05/11	YES
Expenditure policy	Guidelines on expenditure procedures, stipulations of payments, process to follow when unauthorised, irregular, fruitless & wasteful expenditure occurs	03/05/11	YES
Virement policy	The process of transferring an approved budgetary provision from one operating cost element or capital project to another during a municipal financial year	03/05/11	YES
Supply Chain Management Policy	Demand, acquisition, disposal and logistics around the procurement of goods and services	09/12/11	YES

The above-mentioned draft policies are attached to the budget documentation as Annexure B.

KEY AMENDMENTS TO BUDGET-RELATED POLICIES

The additions to the policies are in bold and underline whilst the deletion are in brackets on the specific policies in Annexure B.

The following highlights the key amendments to the budget-related policies:

* Tariff Policy

- Definitions: Redefined definition of Accommodation Establishments
- Definitions: Added definition of Availability Charges
- Definitions: Adjusted definition for Indigent and Poor Households
- Paragraph 8(e): Added to Tariff determination process : "All tariff adjustments shall be effective from the first account levied in July of each year."
- Paragraph 14(1)(a-c): Introduced Inclining Block tariffs
- Paragraph 14(2): Set out Commercial supply usage
- Paragraph 15(2): Added consumers to category of Consumers with connections up to 25 mm

* Customer Care, Indigent and Credit Control and Debt Collection Policy

- Definitions: Adjusted definition for Indigent and Poor Households
- Paragraph 40: Added conditions for application for percentage reduction on account in event of water leakages.

* Virement policy

- Paragraph 5.1: Adjusted delegations of Directors to vire between sub-votes and not votes.

* Supply Chain Management Policy

SECTION 1: DEFINITIONS

The following definitions were included:

"Procurement" is the acquisition of goods

"Sole providers" can be broadly defined as manufacturers, licence holders, publishers, intellectual property holders or service providers appointed by a sole provider as their sole agent or distributor in a specific area

SECTION 5: SUB-DELEGATIONS

Paragraph 3(d) was amended from: *"the HDI status of the supplier or the percentage equity held by HDI's if it is a company, closed corporation, partnership or joint venture."*

To read as follows:

"the status of the supplier's level of contribution."

This is a requirement necessitated by legislation.

SECTION 14: LIST OF ACCREDITED PROSPECTIVE PROVIDERS

The following paragraph was added:

- (4) *As, in terms of Paragraph 46, no award may be given to a person who is in the service of the state, it is expected of all prospective bidders to declare their interests in the application form for listing on the Accredited Supplier Database.*

SECTION 36: DEVIATION FROM AND RATIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESSES

The following will be deemed not to be deviations from SCM processes were included:

- (5)(vii) *The acquisition of services of medical specialists as may be required from time to time and in terms of the Pension Funds Amendment Act, Act 65 of 2001 and related regulations and amendments.*
- (viii) *The acquisition of services from a service provider that is a specialist in a specific and restricted field, as approved by the Accounting Officer or his/her delegated, whose services the municipality may require from time to time.*

SECTION 38: COMBATING OF ABUSE OF SUPPLY CHAIN MANAGEMENT SYSTEM

Include the following in Paragraph (1)(d)(i):

"if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Municipality, or to any other Municipality or municipal entity, are in arrears for more than three months, except if an arrangement has been made in terms of the Municipality's Credit Control Policy. This arrangement must already be in place on or before the date and time the bid is advertised"

SECTION 46: PROHIBITION ON AWARDS TO PERSONS IN THE SERVICE OF THE STATE

Include Paragraph (2):

As no award may be given to a person who is in the service of the state, it is expected of all prospective bidders to declare their interests in the prescribed forms in bidding documents.

SECTION 47: AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE

Include the following paragraphs:

- (2) *All Supply Chain Management officials have to disclose and declare related parties on an annual basis.*
- (3) *All key management personnel have to disclose and declare related parties on an annual basis.*
- (4) *All members of Bid Committees have to declare their interest and disclose and declare related parties for each and every bid that they serve on as a member of a Bid Committee.*

SECTION 54: CONSTRUCTION INDUSTRY DEVELOPMENT BOARD

Include Paragraph (2)(ii):

- (2) *When evaluating construction related bids -*
 (ii) *the contractor's registration will be verified and has to be valid on the day the Bid Evaluation Committee evaluates the bid;*

SECTION 55: ARCHIVE OF BIDDING DOCUMENTS

Include new Section:

- (1) *Bidding documents have to be kept in a safe.*
- (2) *The following will be applicable before the destruction of any documents:*
 - (i) *Closed quotation documents have to be kept for a minimum of five (5) years;*
 - (ii) *The documents for tenders that were awarded for a period of less than one (1) year must be kept for a minimum of five (5) years;*
 - (iii) *The documents for tenders that were awarded for a period of more than one (1) year must be kept for a minimum of six (6) years or for a period of six (6) years after the completion of the project;*
 - (iv) *No documents can be destroyed without the written permission of the relevant director; and*
 - (v) *No documents of successful bidders may be destroyed.*

7.4. Overview of Budget Assumptions

Certain broad assumptions had been made on which the budget is based for the MTREF. These assumptions are based on external factors but also internal trends and factors. These assumptions provide a framework for setting priorities, determining service levels and allocating limited financial resources. This section provides a summary of the assumptions used in preparing the budget for the 2012/13 MTREF period.

EXTERNAL FACTORS

The Medium Term Budget Policy Statement 2011 notes that in recent months the domestic economy has lost momentum as a result of the disruption to world economic activity following the Japanese Tsunami, domestic strike activity and moderating household consumption. Real GDP is now expected to grow by 3.1 % in 2011.

When framing the budget, this had a direct impact on the budget as the trends in income growth statistics are still very low, indigent and poor households are growing and property markets not re-acting to the low interest rates.

All of these factors have a direct bearing on the budget as certain income projectors did not realize.

Another external factor which plays a major roll in the framing of our budget, is the recent drought situation in the Southern Cape Region. Although the drought situation has improved, it had a long term negative effect on water consumption patterns. This again impact on tariffs as the projected income was very much lower as before.

Consequently, municipal revenues and cash flows are expected to remain under pressure in the 2012/13 financial year.

CREDIT RATING OUTLOOK

No credit rating was done by any credit rating company, but the financial position of the municipality and management of our financial affairs are sound. A good rating can be expected that will favour Council if they want any bids from the open market for funding of infrastructure assets. Credit rating can be asked at a later stage.

INTEREST RATES FOR BORROWING AND INVESTMENTS

Council had resolved to take up an external loan for funding of a portion of the capital cost of the desalination plant. A total loan of R30 million was taken up during the 2011/12 financial year. The budget provides for the interest on this loan.

Investments made with various financial institutions are strictly in compliance with the Municipal Finance Management Act and the municipality's Cash Management and Investment Policy. The average rate of return on investments for the 2010/2011 year is 5.91%, and is estimated to be 5.68% for the 2011/2012 financial year.

RATES, TARIFFS, CHARGES AND TIMING OF COLLECTION

The following table shows the average increases in rates and tariff charges over the 2012/13 MTREF period:

	2012/13	2013/14	2014/15
Property Rates	8%	9%	10%
Electricity	11.03%	10%	11%
Water	8%	10%	10%
Sewerage	0%	0%	0%
Refuse	8%	12%	12%

The billing of the Property Rates is done on an annual basis during the month of July. All other tariff charges are billed on a monthly basis.

COLLECTION RATES FOR EACH REVENUE SOURCE AND CUSTOMER TYPE

The average collection rate in the cash collected from consumers expressed as a percentage of the amount billed and is currently 97% on a 12 month rolling period.

The average monthly collection rate for 2011/12 and the projections for the 2012/13 year are as follows:

	2011/12	2012/13
Property Rates (Average % of Monthly and Annual payments)	97%	97.5%
Electricity – Domestic consumers	106%	107%
Water	94%	95%
Sewerage (Average % of Monthly and Annual payments)	92%	93%
Refuse	97%	97.5%

As a result of negotiations with government departments, a higher collection rate is experienced. Good progress has also been made with the collection of old outstanding debts.

PRICE MOVEMENTS ON SPECIFICS

Purchase of bulk electricity from Eskom is budgeted to amount to R182 096 370 in the 2012/13 financial year, which is an estimated increase of 13,5%.

The projected increase in bulk water purchases is estimated at 26% to a budget of R12,6 million in the 2012/13 financial year. Estimated growth for the 2013/14 year is 10% and 8.2% for the 2014/15 year.

AVERAGE SALARY INCREASES

The personnel budget is calculated by reviewing the individual posts that is currently filled in the municipal organogram, as well as previous years' expenditure on the salary budget. Provision is also made for the filling of vacant and new posts during the 2011/12 financial year.

The following table indicates the average increase in gross personnel wages and salaries and councillor allowances for the 2012/13 MTREF:

	2012/13	2013/14	2014/15
Councillor allowances	7.5%	6%	5%
Senior managers	6.5%	6.5%	6.5%
Other personnel	6.5%	6.5%	6.5%

The percentage increase for other personnel is not only the increase in wages and salaries, but also includes the budget for new and vacant posts to be filled during the 2012/13 year. The budget provides for a net increase in salaries and wages of 6.5% for the 2012/13 financial year.

INDUSTRIAL RELATIONS CLIMATE AND CAPACITY BUILDING

The rendering of cost-effective and sustainable services to the entire community with diligence and empathy, is one of the municipality's mission statements. In order to render this effective and efficient service the municipality is committed to invest in the staff of the municipality.

The municipality also participates in the Municipal Finance Management Internship Programme and has employed five interns undergoing training in various sections of the Finance directorate.

The municipality has several training initiatives available to its employees and has a Skills programme in place. Some of the mentioned training initiatives are as follows:

Training initiative:	Nr of Employees enrolled
Minimum Competency level	15
IDP Learnership	1
Bricklayer, Plumbing & Carpentry Learnerships	25
Telemetric Water Sector Training Programme	4
Local Government Accounting Certificate	3
Local Government Advance Accounting Certificate	5
NQF 3 Water & Waste Water Learnership	5
Internship Programme	5

CHANGING DEMAND CHARACTERISTICS (DEMAND FOR SERVICES AND FREE OR SUBSIDISED BASIC SERVICES)

The growth in Mossel Bay has slowed down during the 2011 and 2012 financial years in terms of business activities.

In the property market there was an ongoing drop in the building of new houses and developments, as a result of the economic climate. There is however signs that the demand for credit remains weak and that credit extended to households have started to increase.

The labour market remains sluggish. Unemployment increased from 21.8% at the end of 2008 to 25.7% mid 2011.

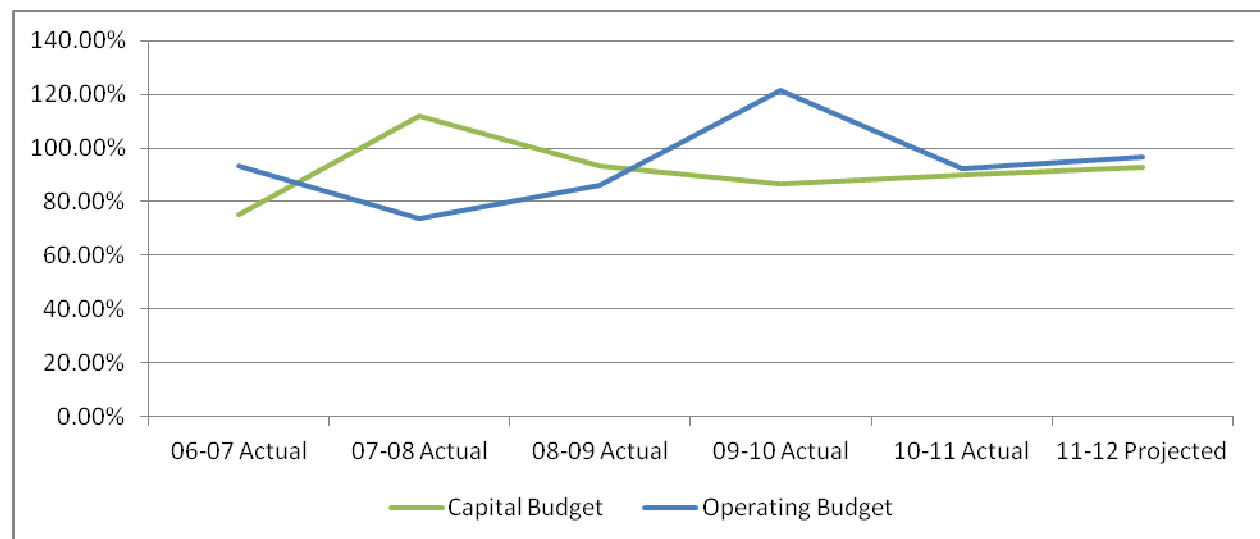
Mossel Bay is home to a number of poor households which causes unending housing and socio-economic backlogs. This is caused by the general influx of people from neighbouring towns, provinces and farms to seek employment and change their livelihood.

ABILITY OF MUNICIPALITY TO SPEND AND DELIVER ON PROGRAMS

Capital project expenditure for the 2010/11 financial year was 89.9% of the total capital budget. The capital spending is closely monitored by ways of monthly cash flows and monthly reporting to Council on capital expenditure. The projected capital spending for the 2011/12 financial year is 93%.

It is anticipated that 97% of the operating budget will be spent in the 2011/12 financial year.

The following graph shows the spending pattern on the capital and operating budget for Mossel Bay Municipality since the 2006/07 financial year:



7.5. Overview of Budget Funding

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- * Realistically anticipated revenue to be collected,
- * Cash backed accumulated funds from previous years' surpluses not committed for other purposes, and
- * Borrowed funds, but only for the capital budget referred to in section 17(2).

Achievement of this requirement effectively means that Council must approve a balanced, credible and sustainable budget.

A Credible budget is a budget that:

- * Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality,
- * Is achievable in terms of agreed service delivery and performance targets,
- * Contains revenue and expenditure projections that are consistent with current and past performance,
- * Does not jeopardise the financial viability of the municipality, and
- * Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A Sustainable budget is a budget which reflects sufficient revenue and adequate corporate stability in order to fund and deliver on service delivery and performance targets.

FISCAL OVERVIEW

The following table shows the municipality's performance on the 2009/10 and the 2010/11 budgets:

BUDGET	2009/10			2010/11		
	Budget R'000	Actual R'000	% perform	Budget R'000	Actual R'000	% perform
Operating Revenue	R584 507	R629 043	107.6%	R774 935	R723 686	93.4%
Operating Expenditure	R521 577	R634 740	121.7%	R628 730	R581 961	92.6%
Capital Expenditure	R169 703	R146 779	86.5%	R260 538	R234 104	89.9%

The above table shows that the municipality collected 107.6% of its budgeted Revenue in the 2009/10 financial year and 93.4% during the 2010/11 financial year. An amount of R97,7m for the revaluation of Investment property was not budgeted for in the 2009/10 financial year and is a non-cash entry. The budgeted contributions for R22,3 million from the Accumulated Surplus was not necessary. The contributions from External services was under by an amount R1 657 002. If these transactions are taken into account, the revenue performance for the 2009/10 operating budget is actually 94.5%.

The above table shows that the operating expenditure budget for the 2009/10 financial year is overspent with 21.7%. However, an amount of R186,4m for the revaluation of Investment property was not budgeted for and is a non-cash entry. An amount of R9,5 million was budgeted for the transfers for Land Sales and Ext. services to the reserves, which was transferred through the Statement of Changes in Net Assets.

An amount of R36,2 million was provided for a contribution to the CRR in the budget, which was transferred through the Statement of Changes in Net Assets and not as a direct contribution. Expenditure to the amount of R7,8 million for Housing top structures did not realise. If these transactions are taken into account, the expenditure performance for the 2009/10 operating budget is actually 94.2%.

The capital expenditure budget is mainly funded by own internal funds and grants and subsidies from national and provincial government.

The municipality prepared it's 2010/11 Annual Financial Statements in accordance with the applicable GRAP standards and received an unqualified opinion from the Auditor-General.

FUNDING OF OPERATING AND CAPITAL EXPENDITURE

Operating Budget:

The table below identifies the sources of funding for the 2012/13 **cash** operating budget:

Source of Revenue	Amount	% of Total Revenue Budget
Property Rates	R 78 733 621	13.2%
Penalties Imposed and Collection Charges	R 2 000 000	0.3%
Service Charges	R 407 635 318	68.2%
Rent of Facilities and Equipment	R 4 629 044	0.8%
Interest Earned – External Investments	R 14 104 320	2.4%
Interest Earned – Outstanding Debtors	R 291 400	0.0%
Fines	R 6 060 750	1.0%
Licences and Permits	R 4 840 500	0.8%
Grants & Subsidies Received - Operating	R 67 992 424	11.4%
Other Revenue	R 11 175 119	1.9%
TOTAL	R 597 462 496	100.0%

Capital Budget:

The table below identifies the sources of funding for the 2012/13 capital budget:

Source of Funding	Amount	% of Total Budget
Capital Replacement Reserve (Internal)	R 69 626 170	57.3%
Municipal Infrastructure Grant	R 17 156 000	14.1%
Extended Public Works Programme	R 2 461 000	2.0%
Recoverable Developer	R 2 050 000	1.7%
Department of Energy	R 1 000 000	0.8%
External Loans	R 699 000	0.6%
Department of Human Settlements	R 22 465 400	18.5%
Municipal Systems Improvement Grant	R 22 000	0.0%
Community Development Workers	R 20 000	0.0%
Library Subsidy (Conditional Grant)	R 6 000 000	4.9%
TOTAL	R121 499 570	100.0%

CAPITAL REPLACEMENT RESERVE

The 2012/13 capital budget is mainly funded from internal funds. The following tables show the breakdown of the Capital Replacement Reserve of the municipality for the 2012/13 MTREF period:

CAPITAL REPLACEMENT RESERVE

BALANCE AS AT 30 JUNE 2011: R 54 623 570

2011/12	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 38 284 361
- Land Sales	R10 526 000
- Bulk Services Contributions	R 4 000 000
FINANCING CAPITAL BUDGET (CRR)	(R 89 908 350)

BALANCE AS AT 30 JUNE 2012: R 17 525 581

2012/13	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 47 587 601
- Land Sales	R 4 000 000
- Bulk Services Contributions	R 2 000 000
FINANCING CAPITAL BUDGET (CRR)	(R 69 626 170)

BALANCE AS AT 30 JUNE 2013: R 1 487 012

2013/14	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 52 407 441
- Land Sales	R 4 800 000
- Bulk Services Contributions	R 2 200 000
FINANCING CAPITAL BUDGET (CRR)	(R 69 887 050)

BALANCE AS AT 30 JUNE 2014: (R 8 992 597)

2014/15	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 55 570 995
- Land Sales	R 4 800 000
- Bulk Services Contributions	R 2 200 000
FINANCING CAPITAL BUDGET (CRR)	(R 70 857 300)

BALANCE AS AT 30 JUNE 2015: (R 17 278 902)

CASH BACKED RESERVES / ACCUMULATED SURPLUS RECONCILIATION

The following table shows a breakdown of the Cash and investments available and the application of these funds for the 2011/12 MTREF period:

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash and investments available										
Cash/cash equivalents at the year end	1	201,915	178,743	196,972	199,223	195,322	195,322	209,039	208,396	198,228
Other current investments > 90 days		(0)	(0)	(0)	0	0	0	(1,886)	(11,933)	(8,016)
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-
Cash and investments available:		201,915	178,743	196,972	199,223	195,322	195,322	207,153	196,463	190,213
Application of cash and investments										
Unspent conditional transfers		14,321	13,754	23,987	7,033	7,033	7,033	10,000	15,000	5,000
Unspent borrowing		-	-	-	-	-	-	-	-	-
Statutory requirements	2	2,952	10,161	11,615	11,203	6,703	6,703	12,000	12,200	12,300
Other working capital requirements	3	41	719	51,092	(19,110)	(19,166)	(19,166)	17,329	9,463	11,106
Other provisions		10,558	6,425	5,578	1,624	1,624	1,624	1,399	1,579	1,858
Long term investments committed	4	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	111,663	82,691	31,770	8,449	8,449	8,449	4,287	(6,593)	(15,579)
Total Application of cash and investments:		139,535	113,750	124,043	9,199	4,643	4,643	45,015	31,649	14,685
Surplus(shortfall)		62,380	64,994	72,930	190,024	190,679	190,679	162,138	164,814	175,528

The above table indicates clearly that the reserves and various other obligations of the municipality is fully cash backed.

The mentioned obligations include:

- Unspent conditional grants
- Current portion of Provisions
- Statutory requirements (E.g. Consumer deposits)
- Other working capital requirements (E.g. Creditors, debtors)

FUNDING MEASUREMENT

The following two tables show the various funding measures and whether the budgets are fully funded or not:

Description	MFMA section	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Funding measures											
Cash/cash equivalents at the year end - R'000	18(1)b	1	201,915	178,743	196,972	199,223	195,322	195,322	209,039	208,396	198,228
Cash + investments at the yr end less applications - R'000	18(1)b	2	62,380	64,994	72,930	190,024	190,679	190,679	162,138	164,814	175,528
Cash year end/monthly employee/supplier payments	18(1)b	3	7.1	4.4	4.9	4.5	4.3	4.3	4.4	4.1	3.5
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	44,296	(5,698)	142,471	27,121	45,630	45,630	38,439	20,318	26,808
Service charge rev % change - macro CPIIX target exclusive	18(1)a,(2)	5	N.A.	5.8%	11.9%	9.3%	(7.3%)	(6.0%)	5.7%	3.3%	4.1%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	6	93.9%	92.4%	112.0%	106.8%	106.9%	106.9%	94.8%	96.8%	94.8%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	7	3.6%	3.3%	4.1%	2.5%	2.5%	2.5%	1.8%	1.9%	1.9%
Capital payments % of capital expenditure	18(1)c,19	8	98.2%	100.0%	89.9%	74.2%	73.9%	73.9%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0.2%	(1.1%)	(0.7%)	(0.5%)	(0.4%)	(0.4%)	(0.7%)	(0.7%)	(0.7%)
Grants % of Govt. legislated/gazetted allocations	18(1)a	10							0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	42.5%	(18.1%)	8.7%	0.0%	0.0%	(16.3%)	(5.7%)	(6.5%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	79.1%	(19.6%)	(13.6%)	0.0%	0.0%	18.4%	(2.8%)	(2.9%)
R&M % of Property Plant & Equipment	20(1)(vi)	13	4.3%	3.4%	3.0%	4.3%	4.5%	4.5%	4.4%	4.6%	5.1%
Asset renewal % of capital budget	20(1)(vi)	14	13.5%	20.1%	6.2%	11.3%	9.7%	9.7%	14.4%	18.8%	19.6%

Total Operating Revenue			434,390	572,244	543,977	646,124	659,658	659,658	682,410	727,410	800,616
Total Operating Expenditure			417,519	646,726	601,224	651,821	671,388	671,388	690,124	735,858	809,193
Operating Performance Surplus/(Deficit)			16,870	(74,483)	(57,248)	(5,698)	(11,730)	(11,730)	(7,714)	(8,448)	(8,577)
Cash and Cash Equivalents (30 June 2012)									209,039		
Revenue											
% Increase in Total Operating Revenue				31.7%	(4.9%)	18.8%	2.1%	0.0%	3.4%	6.6%	10.1%
% Increase in Property Rates Revenue				24.5%	17.7%	11.1%	0.5%	0.0%	9.2%	9.6%	10.6%
% Increase in Electricity Revenue				18.1%	22.1%	19.1%	(1.2%)	0.0%	11.5%	10.3%	11.3%
% Increase in Property Rates & Services Charges				11.8%	17.9%	15.3%	(1.3%)	0.0%	11.7%	9.3%	10.1%
Expenditure											
% Increase in Total Operating Expenditure				54.9%	(7.0%)	8.4%	3.0%	0.0%	2.8%	6.6%	10.0%
% Increase in Employee Costs				20.6%	4.3%	15.0%	(1.6%)	0.0%	6.6%	7.3%	7.8%
% Increase in Electricity Bulk Purchases				16.3%	25.3%	25.2%	2.2%	0.0%	13.5%	15.0%	15.0%
Average Cost Per Budgeted Employee Position (Remuneration)					182418.4386	225967.5471			201450.3981		
Average Cost Per Councillor (Remuneration)					271082.9278	0			366448.7391		
R&M % of PPE			4.3%	3.4%	3.0%	4.3%	4.5%	4.5%	4.4%	4.6%	5.1%
Asset Renewal and R&M as a % of PPE			4.0%	5.0%	3.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Debt Impairment % of Total Billable Revenue			3.6%	3.3%	4.1%	2.5%	2.5%	2.5%	1.8%	1.9%	1.9%
Capital Revenue											
Internally Funded & Other (R'000)			69,654	100,840	97,360	82,978	92,356	92,356	71,676	80,483	82,357
Borrowing (R'000)			3,929	-	130,475	2,224	2,288	2,288	699	175	485
Grant Funding and Other (R'000)			26,919	45,265	32,703	32,819	54,136	54,136	49,124	22,917	29,659
Internally Generated funds % of Non Grant Funding			94.7%	100.0%	42.7%	97.4%	97.6%	97.6%	99.0%	99.8%	99.4%
Borrowing % of Non Grant Funding			5.3%	0.0%	57.3%	2.6%	2.4%	2.4%	1.0%	0.2%	0.6%
Grant Funding % of Total Funding			26.8%	31.0%	12.6%	27.8%	36.4%	36.4%	40.4%	22.1%	26.4%
Capital Expenditure											
Total Capital Programme (R'000)			100,502	146,105	260,538	118,021	148,780	148,780	121,500	103,575	112,501
Asset Renewal			13,535	29,332	16,163	13,360	14,408	14,408	17,530	19,468	22,079
Asset Renewal % of Total Capital Expenditure			13.5%	20.1%	6.2%	11.3%	9.7%	9.7%	14.4%	18.8%	19.6%
Cash											
Cash Receipts % of Rate Payer & Other			93.9%	92.4%	112.0%	106.8%	106.9%	106.9%	94.8%	96.8%	94.8%
Cash Coverage Ratio			0	0	0	0	0	0	0	0	0
Borrowing											
Credit Rating (2009/10)									0		
Capital Charges to Operating			0.2%	0.2%	0.1%	0.1%	(0.2%)	(0.2%)	0.0%	(0.0%)	(0.0%)
Borrowing Receipts % of Capital Expenditure			0.2%	(1.1%)	(0.7%)	(0.5%)	(0.4%)	(0.4%)	(0.7%)	(0.7%)	(0.7%)
Reserves											
Surplus/(Deficit)			62,380	64,994	72,930	190,024	190,679	190,679	162,138	164,814	175,528
Free Services											
Free Basic Services as a % of Equitable Share			130.3%	130.8%	108.7%	129.6%	129.6%	115.0%	346.1%	328.3%	99.3%
Free Services as a % of Operating Revenue (excl operational transfers)			38.4%	7.4%	8.5%	9.1%	9.1%	8.2%	8.0%	7.7%	7.4%
High Level Outcome of Funding Compliance											
Total Operating Revenue			434,390	572,244	543,977	646,124	659,658	659,658	682,410	727,410	800,616
Total Operating Expenditure			417,519	646,726	601,224	651,821	671,388	671,388	690,124	735,858	809,193
Surplus/(Deficit) Budgeted Operating Statement			16,870	(74,483)	(57,248)	(5,698)	(11,730)	(11,730)	(7,714)	(8,448)	(8,577)
Surplus/(Deficit) Considering Reserves and Cash Backing			79,250	(9,489)	15,682	184,326	178,949	178,949	154,424	156,366	166,951
MTREF Funded (1) / Unfunded (0)	15		1	0	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗	15		✓	✗	✓	✓	✓	✓	✓	✓	✓

SOURCES OF FUNDING

Rates, tariffs and other charges

Please refer to Annexure A with the total Rates, Tariffs and other sundry charges for the 2012/13 financial year.

New Borrowing

Borrowing - Categorised by type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		576	573	444	412	412	412	389	375	320
Long-Term Loans (non-annuity)				30,000	23,839	23,839	23,839	27,000	24,000	21,000
Local registered stock										
Instalment Credit										
Financial Leases		2,419	1,522	1,920	1,480	1,480	1,480	1,350	1,290	1,240
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	2,995	2,096	32,364	25,730	25,730	25,730	28,739	25,665	22,560
Total Borrowing	1	2,995	2,096	32,364	25,730	25,730	25,730	28,739	25,665	22,560

Investments

INVESTMENTS BY TYPE

Investment type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		203,000	187,000	208,000	194,000	194,000	194,000	205,000	190,000	185,000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	203,000	187,000	208,000	194,000	194,000	194,000	205,000	190,000	185,000
Consolidated total:		203,000	187,000	208,000	194,000	194,000	194,000	205,000	190,000	185,000

INVESTMENTS BY MATURITY

Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Expiry date of investment	Monetary value	Interest to be realised
Name of institution & investment ID	Yrs/Months						Rand thousand	
Parent municipality								
Standard Bank	11 months	Fixed Feposit	Yes	Fixed	7.3	31/12/2012	70,000	4,684,166.67
Ned Bank	11 months	Fixed Feposit	Yes	Fixed	5.95	31/05/2013	50,000	2,727
First National Bank	11 months	Fixed Feposit	Yes	Fixed	6.3	31/03/2013	10,000	578
ABSA Bank	11 months	Fixed Feposit	Yes	Fixed	6.15	31/12/2012	20,000	1,128
Standard Bank	11 months	Fixed Feposit	Yes	Fixed	6.6	31/01/2013	20,000	1,210
Nedbank	11 months	Fixed Feposit	Yes	Fixed	7.1	30/06/2013	35,000	2,277,916.67
Municipality sub-total							205,000	12,604
TOTAL INVESTMENTS AND INTEREST							205,000	12,604

Operating Grant allocations

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		24,490	28,023	41,817	42,907	45,369	45,369	44,523	47,905	52,373
Local Government Equitable Share		23,590	26,678	34,233	36,942	36,942	36,942	42,495	45,755	49,973
Finance Management		500	750	981	1,250	1,254	1,254	1,250	1,250	1,450
Municipal Systems Improvement		400	343	603	715	761	761	778	900	950
Provincial Management Support Grant		–	252	–	–	–	–	–	–	–
Electricity Demand Side Management		–	–	6,000	4,000	3,755	3,755	–	–	–
Expanded public works programme		–	–	–	–	2,656	2,656	–	–	–
Other transfers/grants [insert description]										
Provincial Government:		21,126	17,115	34,890	29,129	36,169	36,169	21,221	5,597	6,477
Housing		19,804	16,033	31,213	26,872	33,885	33,885	18,252	5,470	6,344
Community Development Workers		–	122	9	130	153	153	88	97	97
Libraries		501	799	731	761	761	761	927	–	–
Proclaimed Roads		811	–	–	50	50	50	50	–	–
Subsidy - Housing Trust Fund		–	–	–	1,300	1,300	1,300	1,880	–	–
Subsidy - Home owners education		–	147	1	–	4	4	–	–	–
Subsidy - Integration rural settlements		–	–	205	–	–	–	–	–	–
Subsidy - Housing operating balance		–	–	2,711	–	–	–	–	–	–
Subsidy - New settlers		10	13	21	16	16	16	24	30	36
Other transfers/grants [insert description]										
District Municipality:		355	–	–	–	–	–	–	–	–
Eden District Municipality		355	–	–	–	–	–			
Other grant providers:		962	721	2,451	3,545	10,997	10,997	2,435	753	839
SETA		452	563	793	900	900	900	600	660	739
Masimambane		371	87	–	250	250	250			
Public Contributions		140	71	1,658	2,395	9,847	9,847	1,835	93	100
Total Operating Transfers and Grants	5	46,934	45,859	79,157	75,581	92,535	92,535	68,179	54,254	59,689

Capital Grant allocations

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
RECEIPTS:	1, 2									
Capital Transfers and Grants										
National Government:		33,150	55,359	124,374	17,132	27,694	27,694	20,639	19,098	26,644
Municipal Infrastructure Grant (MIG)		28,822	17,497	13,974	14,143	16,801	16,801	17,156	18,098	19,144
Public Works		–	–	587	914	1,054	1,054	2,461	–	–
Water Affairs		2,828	–	–	–	–	–	–	–	–
Energy Efficiency & Demand Side Management				7,066		–	–	–	–	–
National Electrification Programme			3,305	7,435	2,000	2,938	2,938	1,000	1,000	7,500
Department of Mineral & Energy			15,000	–		4,779	4,779	–	–	–
Department of Social Services	1,500		3,000	3,141		121	121	–	–	–
Municipal System Improvement Grant			57	152	75	–	–	22	–	–
Drought Relief Grant			16,500	92,000		–	–	–	–	–
Department of Transport	–			–		–	–	–	–	–
Finance Management				19		–	–	–	–	–
Neighbourhood Development Partnership Grant						2,000	2,000	–	–	–
Provincial Government:		2,410	1,537	6,467	15,687	25,243	25,243	28,485	12,015	12,015
Housing		2,410	1,537	6,173	14,800	22,595	22,595	22,465	12,000	12,000
Financial Management Support Grant						50	50	–	–	–
Community Development Workers Grant						95	95	20	15	15
Other	–			294	887	2,503	2,503	6,000	–	–
District Municipality:		–	23,520	1,862	–	–	–	–	–	–
Eden District Municipality		–	23,520	1,862						
Other grant providers:		161	–	14,935	3,950	6,759	6,759	2,050	2,400	2,500
Public Contributions		161		14,935	3,950	6,759	6,759	2,050	2,400	2,500
Masibambani		–		–						
Total Capital Transfers and Grants	5	35,721	80,417	147,638	36,769	59,695	59,695	51,174	33,513	41,159
TOTAL RECEIPTS OF TRANSFERS & GRANTS		82,655	126,276	226,795	112,350	152,230	152,230	119,353	87,767	100,848

7.6. Expenditure on allocations and grant programmes

Operating Grant expenditure

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
EXPENDITURE:	1									
Operating expenditure of Transfers and Grants										
National Government:		24,490	28,023	38,473	42,907	45,369	45,369	44,523	47,905	52,373
Local Government Equitable Share		23,590	26,678	34,233	36,942	36,942	36,942	42,495	45,755	49,973
Finance Management		500	750	1,128	1,250	1,254	1,254	1,250	1,250	1,450
Municipal Systems Improvement		400	343	681	715	761	761	778	900	950
Provincial Management Support Grant		–	252	2	–	–	–	–	–	–
Electricity Demand Side Management		–	–	2,429	4,000	3,755	3,755	–	–	–
Expanded public works programme		–	–	–	–	2,656	2,656	–	–	–
Other transfers/grants [insert description]										
Provincial Government:		21,126	17,115	29,603	29,129	36,169	36,169	21,221	5,597	6,477
Housing		19,804	16,033	25,923	26,872	33,885	33,885	18,252	5,470	6,344
Community Development Workers		–	122	7	130	153	153	88	97	97
Libraries		501	799	731	761	761	761	927	–	–
Proclaimed Roads		811	–	–	50	50	50	50	–	–
Subsidy - Housing Trust Fund		–	–	–	1,300	1,300	1,300	1,880	–	–
Subsidy - Home owners education		–	147	30	–	4	4	–	–	–
Subsidy - Integration rural settlements		–	–	181	–	–	–	–	–	–
Subsidy - Housing operating balance		–	–	2,711	–	–	–	–	–	–
Subsidy - Newsletters		10	13	21	16	16	16	24	30	36
Other transfers/grants [insert description]										
District Municipality:		355	–	–	–	–	–	–	–	–
Eden District Municipality		355	–	–	–	–	–	–	–	–
Other grant providers:		962	721	1,335	3,545	10,997	10,997	2,435	753	839
SETA		452	563	863	900	900	900	600	660	739
Masimambane		371	87	89	250	250	250	–	–	–
Public Contributions		140	71	383	2,395	9,847	9,847	1,835	93	100
Total operating expenditure of Transfers and Grants		46,934	45,859	69,410	75,581	92,535	92,535	68,179	54,254	59,689

Capital Grant expenditure

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
EXPENDITURE:	1									
Capital expenditure of Transfers and Grants										
National Government:		33,150	55,359	124,380	17,132	27,694	27,694	20,639	19,098	26,644
Municipal Infrastructure Grant (MIG)		28,822	17,497	13,974	14,143	16,801	16,801	17,156	18,098	19,144
Public Works		–	–	587	914	1,054	1,054	2,461	–	–
Water Affairs		2,828		–		–	–	–	–	–
Energy Efficiency & Demand Side Management				7,066		–	–	–	–	–
National Electrification Programme			3,305	7,435	2,000	2,938	2,938	1,000	1,000	7,500
Department of Mineral & Energy			15,000	–		4,779	4,779	–	–	–
Department of Social Services		1,500	3,000	3,141		121	121	–	–	–
Municipal System Improvement Grant			57	152	75	–	–	22	–	–
Drought Relief Grant			16,500	92,000		–	–	–	–	–
Department of Transport		–		–		–	–	–	–	–
Finance Management				25		–	–	–	–	–
Neighbourhood Development Partnership Grant						2,000	2,000	–	–	–
Provincial Government:		2,410	1,537	6,467	15,687	25,243	25,243	28,485	12,015	12,015
Housing		2,410	1,537	6,173	14,800	22,595	22,595	22,465	12,000	12,000
Financial Management Support Grant						50	50	–	–	–
Community Development Workers Grant						95	95	20	15	15
Other		–		294	887	2,503	2,503	6,000	–	–
District Municipality:		–	23,520	1,862	–	–	–	–	–	–
Eden District Municipality		–	23,520	1,862						
Other grant providers:		161	–	14,935	3,950	6,759	6,759	2,050	2,400	2,500
Public Contributions		161		14,935	3,950	6,759	6,759	2,050	2,400	2,500
Masibambani		–		–						
Total capital expenditure of Transfers and Grants		35,721	80,417	147,644	36,769	59,695	59,695	51,174	33,513	41,159
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		82,655	126,276	217,054	112,350	152,230	152,230	119,353	87,767	100,848

7.7. Transfers and grants made by the municipality

Description R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Transfers to other municipalities <i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms <i>Insert description</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State <i>Insert description</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations	4										
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals	5										
Grants & Donations-Public		286	523	560	550	550	550		650	696	751
Grants & Donations - District		-	-	-	-	15	15		15	15	15
Grant In Aid-Services		2,341	1,806	2,244	3,432	2,210	2,210		4,545	5,222	5,794
Sub: Benefit Discount Scheme		384	344	331	332	311	311		290	305	329
Total Cash Transfers To Groups Of Individuals:		3,010	2,673	3,134	4,314	3,086	3,086	-	5,500	6,237	6,889
TOTAL CASH TRANSFERS AND GRANTS	6	3,010	2,673	3,134	4,314	3,086	3,086	-	5,500	6,237	6,889

VACANT POSTS 2012/2013 - M2					
TASK GRADE	GRADE NUMBER	OCCUPATION	VOTE	DESCRIPTION	Amount Budgeted
2	404105	Worker	14464/8	Streets	R 97,825
2	404164	Worker	14464/8	Streets	R 97,825
2	404181	Worker	14464/8	Streets	R 97,825
2	404113	Worker	14478	Sewerage	R 97,825
2	604145	Worker	15552	Refuse	R 97,825
2	604130	Worker	15553	Cleaning of Streets	R 97,825
2	604148	Worker	15554	Transfer Station	R 97,825
2	604116	Worker	15554	Transfer Station	R 97,825
4	407107	Operator	15582	Parks	R 101,699
4	407162	Operator	15582	Parks	R 101,699
4	701115	Operator	16614	Electrical	R 101,699
4	701126	Operator	16614	Electrical	R 101,699
Grand Total					R 1,189,396

NEW POSTS TO BE FILLED

NEW POSTS 2012/2013					
TASK GRADE	GRADE NUMBER	OCCUPATION	VOTE	Budget Period	Amount Budgeted
MUNICIPAL MANAGER					
MUNICIPAL MANAGER					
500001	7	Junior Secretary	11100	01.10.2012	R 114,200
LEGAL SERVICES					
126002	14	Prosecutor	11126		R 448,212
126003	6	Process Clerk	11126		R 126,703
126004	6	Interpreter	11126		R 126,703
126005	6	Clerk/Cashier	11126		R 126,703
126006	5	Security Guard	11126	01.08.2012	R 101,378
126007	9	Traffic Officer	11126	01.08.2012	R 170,138
126001	18	Magistrate	11126		R 727,298

NEW POSTS 2012/2013					
TASK GRADE	GRADE NUMBER	OCCUPATION	VOTE	Budget Period	Amount Budgeted
CORPORATE SERVICES					
CUSTOMER CARE					
500050	12	Thusong Centre Manager	12214	01.02.2013	R 109,268
500051	5	Security	12214	01.02.2013	R 43,363
500052	2	General Worker	12214	01.02.2013	R 38,599
SOCIO-ECON PLANNING					
500016	11	Project Manager (SMMW Training - Rural Development	12242	01.10.2012	R 183,045
500017	11	EPWP Admin Officer (Contract)	12242		R 171,000
500018	11	Tourism Development Officer	12242		R 239,314
TECHNICAL SERVICES					
STREETS & STORMWATER					
404190	4	Machine Operator	14468	01.01.2013	R 53,568
FINANCIAL SERVICES					
FINANCE					
800061	18	Deputy Chief Financial Officer	13300	01.11.2012	R 498,458
COMMUNITY SERVICES					
LAW ENFORCEMENT					
203081	6	Law Enforcement Officer	15570		R 126,703
203082	6	Law Enforcement Officer	15570		R 126,703
203083	6	Law Enforcement Officer	15570		R 126,703
203080	8	Supervisor	15570		R 165,995
PARKS					
407197	6	Carpenter/Handy Man	15582	01.10.2012	R 96,788
TOWN PLANNING & BUILDING CONTROL					
HUMAN SETTLEMENT					
301001	12	Public Relations Officer	17774	01.01.2013	R 147,932
301002	6	Field Worker	17774	01.01.2013	R 66,873
Grand Total					R 4,135,647

BUDGET SCHEDULES**DISCLOSURE OF SALARIES, ALLOWANCES AND BENEFITS**

Disclosure of Salaries, Allowances & Benefits 1.	Ref	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum				1.				2.
Councillors	3							
Executive Mayor	4			657,787			20,253	678,040
Deputy Executive Mayor				526,230			20,253	546,483
Speaker				526,230			20,253	546,483
3 X Member of Executive Committee				2,466,700			101,265	2,567,965
20 X Part-time Councillor				3,749,397			239,953	3,989,350
Locomotion Claims								–
Total Councillors	8	–	–	7,926,344	–	–	401,977	8,328,321
Senior Managers of the Municipality	5							
Municipal Manager (MM)				1,421,226		198,972		1,620,198
Chief Finance Officer				1,163,837		174,575		1,338,412
Director Electricity Services				1,165,685		163,196		1,328,881
Director Corporate Services				961,747		134,645		1,096,392
Director Community Services				1,006,345		150,952		1,157,297
Director Development and Planning				1,030,429		144,260		1,174,689
Director Civil Services								–
								–
Total Senior Managers of the Municipality	8	–	–	6,749,269	–	966,600		7,715,869
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION		–	–	14,675,613	–	966,600		16,044,190

SUMMARY OF COUNCILLOR AND STAFF BENEFITS

Summary of Employee and Councillor remuneration R thousand	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Councillors (Political Office Bearers plus Other)	1	A	B	C	D	E	F	G	H	I
Basic Salaries and Wages		5,148	5,487	6,086	6,985	7,859	7,859	7,926	8,521	9,160
Pension and UIF Contributions										
Medical Aid Contributions										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances		279	294	373	419	430	430	452	486	522
Sub Total - Councillors		5,427	5,781	6,459	7,404	8,289	8,289	8,378	9,007	9,682
% increase	4		6.5%	11.7%	14.6%	12.0%	–	1.1%	7.5%	7.5%
Senior Managers of the Municipality	2									
Basic Salaries and Wages		6,121	6,064	6,305	6,363	6,363	6,363	6,749	7,255	7,800
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus		610	883	905	911	911	911	967	1,039	1,117
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3									
Other benefits and allowances	3									
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Senior Managers of Municipality		6,731	6,946	7,211	7,274	7,274	7,274	7,716	8,295	8,917
% increase	4		3.2%	3.8%	0.9%	–	–	6.1%	7.5%	7.5%
Other Municipal Staff										
Basic Salaries and Wages		68,945	81,624	96,194	102,307	99,932	99,932	109,790	118,024	126,876
Pension and UIF Contributions		10,989	12,948	16,578	17,962	17,413	17,413	20,248	21,767	23,399
Medical Aid Contributions		6,565	7,352	8,875	10,028	9,471	9,471	9,375	10,078	10,834
Overtime		6,529	6,477	7,056	6,538	5,578	5,578	6,039	6,492	6,979
Performance Bonus		5,921	6,985	8,056	8,521	8,432	8,432	9,102	9,785	10,518
Motor Vehicle Allowance	3									
Cellphone Allowance	3									
Housing Allowances	3	1,116	1,006	1,197	1,222	1,215	1,215	1,124	1,208	1,299
Other benefits and allowances	3	10,711	14,508	15,839	16,807	18,464	18,464	15,787	16,971	18,244
Payments in lieu of leave										
Long service awards										
Post-retirement benefit obligations	6									
Sub Total - Other Municipal Staff		110,777	130,900	153,795	163,384	160,504	160,504	171,465	184,325	198,149
% increase	4		18.2%	17.5%	6.2%	(1.8%)	–	6.8%	7.5%	7.5%
Total Parent Municipality		122,935	143,628	167,465	178,061	176,067	176,067	187,559	201,626	216,748
			16.8%	16.6%	6.3%	(1.1%)	–	6.5%	7.5%	7.5%
TOTAL SALARY, ALLOWANCES & BENEFITS		122,935	143,628	167,465	178,061	176,067	176,067	187,559	201,626	216,748
% increase	4		16.8%	16.6%	6.3%	(1.1%)	–	6.5%	7.5%	7.5%
TOTAL MANAGERS AND STAFF	5	117,508	137,847	161,006	170,658	167,778	167,778	179,181	192,619	207,066

SUMMARY OF PERSONNEL NUMBERS

Summary of Personnel Numbers Number	Ref	2010/11			Current Year 2011/12			Budget Year 2012/13		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		23	23					23	23	–
Board Members of municipal entities	4							–	–	–
Municipal employees	5							–	–	–
Municipal Manager and Senior Managers	3	7	–	7	28	27	1	6	–	6
Other Managers	7	23	22	1	–	–	–	19	17	2
Professionals		61	56	5	36	34	2	19	14	–
<i>Finance</i>		20	15	5	11	10	1	4	4	–
<i>Spatial/town planning</i>		4	4		3	3	–	6	1	–
<i>Information Technology</i>		3	3		–	–	–	1	1	–
<i>Roads</i>		3	3		2	2	–	–	–	–
<i>Electricity</i>		2	2		–	–	–	–	–	–
<i>Water</i>		5	5		3	3	–	–	–	–
<i>Sanitation</i>					1	1	–	–	–	–
<i>Refuse</i>		1	1		–	–	–	–	–	–
<i>Other</i>		23	23		16	15	1	8	8	–
Technicians		135	129	3	203	191	12	88	62	4
<i>Finance</i>		11	8		7	4	3	8	2	3
<i>Spatial/town planning</i>		11	11		10	10	–	13	10	1
<i>Information Technology</i>		4	4		4	4	–	2	2	–
<i>Roads</i>		5	5		24	23	1	7	6	–
<i>Electricity</i>		23	23		24	24	–	7	6	–
<i>Water</i>		4	4		34	32	2	8	8	–
<i>Sanitation</i>					10	9	1	–	–	–
<i>Refuse</i>		2	2		–	–	–	3	2	–
<i>Other</i>		75	72	3	90	85	5	40	26	–
Clerks (Clerical and administrative)		202	187	15	105	105	–	177	163	7
Service and sales workers					47	40	7	97	65	–
Skilled agricultural and fishery workers					–	–	–	–	–	–
Craft and related trades					–	–	–	50	37	–
Plant and Machine Operators		30	28		45	40	5	77	62	–
Elementary Occupations		432	418	9	353	353	–	429	420	–
TOTAL PERSONNEL NUMBERS		913	863	40	817	790	27	985	863	19
% increase					(10.5%)	(8.5%)	(32.5%)	20.6%	9.2%	(29.6%)
Total municipal employees headcount	6									
Finance personnel headcount	8	83	78	5	68	64	4	80	74	1
Human Resources personnel headcount	8	12	12		11	11	–	13	12	–

7.9. Monthly targets for revenue, expenditure and cash flow

BUDGETED MONTHLY REVENUE AND EXPENDITURE (MUNICIPAL VOTE)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand																
Revenue by Vote																
Vote 1 - MUNICIPAL MANAGER		2,745	397	722	1,925	2,655	4,631	4,496	1,362	1,033	2,040	1,226	6,395	29,627	34,938	36,551
Vote 2 - CORPORATE SERVICES		13	13	233	29	12	281	26	17	148	135	186	3,926	5,019	1,144	1,237
Vote 3 - FINANCIAL SERVICES		75,926	1,274	817	723	2,179	562	946	660	633	608	1,722	498	86,548	94,678	104,693
Vote 4 - CIVIL SERVICES		66,973	9,179	10,733	8,038	6,682	12,250	16,148	9,420	8,072	8,156	12,613	18,040	186,304	198,044	216,780
Vote 5 - COMMUNITY SERVICES		4,466	8,328	8,168	4,709	5,883	8,884	7,378	7,724	5,915	5,316	6,525	6,106	79,402	80,248	86,126
Vote 6 - ELECTRICITY SERVICES		27,681	23,253	23,619	22,055	22,259	24,503	25,361	22,375	23,188	22,505	23,264	28,083	288,148	317,495	359,188
Vote 7 - DEVELOPMENT PLANNING & HOUSING		361	1,046	450	473	445	410	710	548	553	467	434	47,617	53,514	29,629	31,426
Total Revenue by Vote		178,165	43,491	44,744	37,953	40,117	51,520	55,065	42,104	39,541	39,227	45,970	110,665	728,563	756,176	836,001
Expenditure by Vote to be appropriated																
Vote 1 - MUNICIPAL MANAGER		2,461	1,763	1,718	2,377	2,182	2,068	2,984	2,151	2,221	1,886	2,434	25,967	50,213	54,758	58,528
Vote 2 - CORPORATE SERVICES		1,429	1,576	1,589	1,895	1,473	1,780	1,558	2,167	1,834	2,045	2,526	1,573	21,445	22,683	24,108
Vote 3 - FINANCIAL SERVICES		2,389	2,575	2,856	2,945	2,887	3,273	2,675	3,109	2,760	2,994	3,115	(3,121)	28,457	29,557	31,297
Vote 4 - CIVIL SERVICES		9,262	10,625	14,488	15,643	12,302	17,123	15,751	14,121	13,763	17,264	15,462	34,118	189,921	204,578	222,051
Vote 5 - COMMUNITY SERVICES		6,802	7,979	8,428	10,167	8,477	13,399	12,781	10,759	9,408	10,165	9,088	19,304	126,758	132,467	143,257
Vote 6 - ELECTRICITY SERVICES		6,566	25,068	25,327	16,203	15,535	16,389	17,343	15,907	15,043	16,464	15,649	44,645	230,140	261,513	297,228
Vote 7 - DEVELOPMENT PLANNING & HOUSING		1,163	1,170	1,345	1,611	1,548	2,261	1,695	5,614	2,045	1,927	3,424	19,387	43,190	30,303	32,724
Total Expenditure by Vote		30,073	50,755	55,752	50,842	44,405	56,294	54,788	53,828	47,073	52,744	51,697	141,873	690,124	735,858	809,193
Surplus/(Deficit) before assoc.		148,092	(7,264)	(11,008)	(12,889)	(4,289)	(4,774)	278	(11,723)	(7,532)	(13,517)	(5,726)	(31,208)	38,439	20,318	26,808
Taxation													-	-	-	-
Attributable to minorities													-	-	-	-
Share of surplus/ (deficit) of associate													-	-	-	-
Surplus/(Deficit)	1	148,092	(7,264)	(11,008)	(12,889)	(4,289)	(4,774)	278	(11,723)	(7,532)	(13,517)	(5,726)	(31,208)	38,439	20,318	26,808

BUDGETED MONTHLY REVENUE AND EXPENDITURE (STANDARD CLASSIFICATION)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand																
Revenue - Standard																
<i>Governance and administration</i>		78,671	1,672	1,633	2,666	4,836	5,334	5,452	2,026	1,675	2,657	3,119	7,151	116,892	130,398	142,106
Executive and council		2,745	397	722	1,925	2,655	4,631	4,496	1,362	1,033	2,040	1,210	6,395	29,611	34,921	36,531
Budget and treasury office		424	360	729	557	436	371	376	468	459	423	389	348	5,341	5,773	6,476
Corporate services		75,502	914	182	185	1,745	333	580	197	182	193	1,520	409	81,940	89,705	99,098
<i>Community and public safety</i>		1,245	3,777	3,676	1,186	2,598	4,104	1,755	4,140	2,333	1,722	1,350	51,452	79,337	50,590	50,353
Community and social services		42	1,387	243	58	1,379	229	49	2,669	232	50	58	1,156	7,552	690	759
Sport and recreation		455	1,904	1,941	467	331	2,668	856	392	822	743	318	2,270	13,169	13,967	10,395
Public safety		712	450	1,458	626	853	1,175	817	1,044	1,251	891	940	820	11,036	12,718	14,805
Housing		35	35	34	36	35	32	33	35	28	38	33	47,206	47,580	23,215	24,394
Health		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		340	1,024	873	449	424	834	694	526	982	573	417	15,951	23,087	11,685	14,568
Planning and development		338	1,024	555	449	421	517	692	526	665	555	416	4,079	10,236	6,776	7,407
Road transport		2	0	318	0	3	317	2	0	317	18	2	11,872	12,851	4,909	7,161
Environmental protection		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Trading services</i>		97,909	37,019	38,561	33,651	32,259	41,249	47,164	35,412	34,552	34,276	41,084	36,110	509,247	563,502	628,974
Electricity		27,681	23,253	23,619	22,055	22,259	24,503	25,361	22,375	23,188	22,505	23,264	28,083	288,148	317,495	359,188
Water		12,616	8,032	8,167	7,284	6,420	9,323	12,196	8,762	7,191	7,567	9,486	4,434	101,477	119,957	135,957
Waste water management		54,355	1,147	2,249	754	260	2,610	3,950	657	563	572	3,125	1,734	71,977	73,177	73,663
Waste management		3,257	4,587	4,526	3,559	3,320	4,812	5,657	3,618	3,610	3,632	5,209	1,859	47,645	52,873	60,167
<i>Other</i>		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue - Standard		178,165	43,491	44,744	37,953	40,117	51,520	55,065	42,104	39,541	39,227	45,970	110,665	728,563	756,176	836,001
Expenditure - Standard																
<i>Governance and administration</i>		6,315	6,000	6,204	7,310	6,688	7,224	7,359	7,339	6,875	6,943	7,993	20,023	96,273	102,653	109,162
Executive and council		2,226	1,476	1,464	2,099	1,781	1,740	2,669	1,663	1,892	1,490	1,746	25,413	45,659	49,857	53,205
Budget and treasury office		1,576	1,901	2,102	2,024	2,037	2,309	1,973	2,055	2,145	2,141	2,336	(6,370)	16,229	16,727	17,754
Corporate services		2,513	2,623	2,638	3,187	2,870	3,174	2,718	3,621	2,839	3,311	3,912	979	34,385	36,069	38,203
<i>Community and public safety</i>		5,035	5,406	6,068	6,462	5,946	10,121	9,976	11,712	7,186	7,189	8,116	28,042	111,261	100,537	108,080
Community and social services		851	931	998	1,009	957	1,387	1,071	1,074	1,075	1,141	1,053	1,413	12,960	13,926	15,092
Sport and recreation		1,681	1,875	2,457	2,546	2,055	5,410	5,400	3,369	2,826	2,682	2,294	6,664	39,259	39,645	42,360
Public safety		2,179	2,296	2,262	2,480	2,496	2,914	3,148	3,189	2,562	3,007	2,694	4,694	33,920	35,751	38,235
Housing		324	305	352	427	438	411	357	4,080	723	359	2,075	15,271	25,121	11,215	12,394
Health		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>		1,977	2,067	3,882	4,826	3,187	6,477	4,824	3,604	4,519	5,340	4,423	8,016	53,144	56,869	60,934
Planning and development		1,149	1,136	1,350	1,494	1,436	2,225	1,658	2,056	1,694	2,024	1,914	5,459	23,595	25,056	26,747
Road transport		828	932	2,532	3,332	1,751	4,251	3,166	1,548	2,825	3,316	2,510	2,557	29,549	31,813	34,186
Environmental protection		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Trading services</i>		16,745	37,283	39,597	32,245	28,584	32,472	32,628	31,173	28,492	33,272	31,164	85,791	429,447	475,798	531,017
Electricity		6,470	24,967	25,218	16,093	15,427	16,247	17,199	15,770	14,899	16,325	15,509	44,445	228,570	259,832	295,418
Water		5,013	5,767	7,787	6,557	6,439	7,314	8,143	7,239	6,776	8,063	8,560	21,551	99,209	106,451	116,478
Waste water management		3,171	3,671	3,881	5,463	3,748	5,222	4,124	5,036	3,872	5,549	4,049	13,262	61,048	66,370	71,551
Waste management		2,091	2,877	2,712	4,132	2,969	3,688	3,162	3,128	2,945	3,335	3,046	6,533	40,619	43,145	47,570
<i>Other</i>		—	—	—	—	—	—	—	—	—	—	—	—	—	0	0
Total Expenditure - Standard		30,073	50,755	55,752	50,842	44,405	56,294	54,788	53,828	47,073	52,744	51,697	141,873	690,124	735,558	809,193
Surplus/(Deficit) before assoc.		148,092	(7,264)	(11,008)	(12,889)	(4,289)	(4,774)	278	(11,723)	(7,532)	(13,517)	(5,726)	(31,208)	38,439	20,318	26,808
Share of surplus/ (deficit) of associate		—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)	1	148,092	(7,264)	(11,008)	(12,889)	(4,289)	(4,774)	278	(11,723)	(7,532)	(13,517)	(5,726)	(31,208)	38,439	20,318	26,808

BUDGETED MONTHLY REVENUE AND EXPENDITURE (PER SOURCE / PER TYPE)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source																
Property rates		75,345	762	(86)	(25)	1,564	(1)	397	(0)	3	7	1,157	0	79,125	86,717	95,878
Property rates - penalties & collection charges		156	150	162	191	177	186	143	188	165	176	172	133	2,000	2,100	2,247
Service charges - electricity revenue		20,773	22,113	23,416	21,810	22,040	24,270	24,748	21,608	22,936	22,371	23,150	26,153	275,388	303,657	337,919
Service charges - water revenue		6,225	7,969	6,352	6,794	6,333	7,350	9,094	8,267	7,025	7,503	7,059	3,244	83,215	92,000	102,000
Service charges - sanitation revenue		50,641	1,100	253	293	252	200	93	203	100	118	83	109	53,445	53,604	53,970
Service charges - refuse revenue		3,256	4,337	3,283	3,290	3,318	3,338	3,329	3,345	3,341	3,360	3,359	974	38,530	43,650	49,443
Service charges - other		17,548	3,613	2,034	971	768	679	1,360	755	1,236	1,060	647	335	31,007	33,373	35,562
Rental of facilities and equipment		266	887	584	281	308	315	403	389	363	334	267	230	4,629	5,160	5,790
Interest earned - external investments		2,458	118	142	1,746	1,215	676	601	1,295	724	1,546	1,105	2,479	14,104	14,371	13,607
Interest earned - outstanding debtors		27	27	26	26	26	24	24	22	22	23	22	22	291	309	296
Dividends received																
Fines		354	7	1,043	345	342	807	435	552	814	578	597	187	6,061	7,267	8,713
Licences and permits		355	417	397	277	511	363	370	482	418	301	346	604	4,841	5,309	5,939
Agency services																
Transfers recognised - operational		122	31	5,467	1,264	108	10,835	11,851	1,936	945	954	7,518	26,962	67,992	54,064	59,481
Other revenue		637	641	1,671	688	1,832	1,231	2,215	443	1,446	897	487	9,571	21,758	25,802	29,737
Gains on disposal of PPE		-	-	-	1	-	5	2	0	2	-	-	12	23	27	34
Total Revenue (excluding capital transfers and contributions)		178,165	42,169	44,744	37,953	38,795	50,279	55,065	39,485	39,541	39,227	45,970	71,017	682,410	727,410	800,616
Expenditure By Type																
Employee related costs		12,622	12,627	12,996	14,117	13,410	17,444	14,709	14,295	14,245	14,576	15,634	37,120	193,795	207,915	224,172
Remuneration of councillors		508	769	593	592	591	643	854	806	894	669	673	837	8,428	8,934	9,381
Debt impairment		-	-	-	-	-	-	-	-	-	-	-	10,000	10,000	11,500	13,225
Depreciation & asset impairment		530	530	530	7,046	530	6,337	1,503	3,726	1,528	7,593	1,528	17,323	48,704	53,333	56,093
Finance charges		-	-	25	-	0	27	20	260	-	-	32	2,586	2,949	2,728	2,576
Bulk purchases		4,831	23,049	24,418	12,740	13,598	12,418	16,553	13,971	13,311	14,586	15,215	30,008	194,696	223,271	255,822
Other materials		888	1,055	653	816	882	1,118	1,102	1,033	891	845	973	412	10,668	11,201	12,276
Contracted services		1,284	2,240	1,889	2,612	2,292	3,250	4,308	3,032	2,670	1,771	2,582	3,002	30,931	32,772	35,362
Transfers and grants		499	476	458	472	442	449	453	417	409	456	486	483	5,500	6,237	6,889
Other expenditure		8,911	10,010	14,190	12,447	12,661	14,598	15,197	16,287	13,125	12,248	14,574	39,854	184,103	177,618	193,050
Loss on disposal of PPE		-	-	1	-	-	11	89	-	-	-	-	248	348	348	348
Total Expenditure		30,073	50,755	55,752	50,842	44,405	56,294	54,788	53,828	47,073	52,744	51,697	141,873	690,124	735,858	809,193
Surplus/(Deficit)		148,092	(8,586)	(11,008)	(12,889)	(5,611)	(6,015)	278	(14,343)	(7,532)	(13,517)	(5,726)	(70,856)	(7,714)	(8,448)	(8,577)
Transfers recognised - capital		-	1,322	-	-	1,322	1,241	-	2,619	-	-	-	39,648	46,153	28,766	35,385
Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		148,092	(7,264)	(11,008)	(12,889)	(4,289)	(4,774)	278	(11,723)	(7,532)	(13,517)	(5,726)	(31,208)	38,439	20,318	26,808
Taxation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	1	148,092	(7,264)	(11,008)	(12,889)	(4,289)	(4,774)	278	(11,723)	(7,532)	(13,517)	(5,726)	(31,208)	38,439	20,318	26,808

BUDGETED MONTHLY CAPITAL EXPENDITURE (MUNICIPAL VOTE)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - MUNICIPAL MANAGER													–	–	–	–
Vote 2 - CORPORATE SERVICES				8		35	100						–	143	147	15
Vote 3 - FINANCIAL SERVICES						5	15			5			699	724	205	500
Vote 4 - CIVIL SERVICES		65	65	738	1,153	1,495	1,552	4,098	3,995	4,798	4,791	4,711	(8,304)	19,155	40,406	42,325
Vote 5 - COMMUNITY SERVICES			10	35	445	80	155	10	1,630	760		20	2,833	5,978	2,264	5,467
Vote 6 - ELECTRICITY SERVICES		100	100	150	750	1,850	100	1,050	2,245	2,045	2,110	2,305	1,870	14,675	19,425	21,975
Vote 7 - DEVELOPMENT PLANNING & HOUSING													22,495	22,495	12,020	12,020
Capital multi-year expenditure sub-total	2	165	175	931	2,348	3,465	1,922	5,158	7,870	7,608	6,901	7,036	19,594	63,170	74,467	82,302
Single-year expenditure to be appropriated																
Vote 1 - MUNICIPAL MANAGER		53	52	52	1,552	52							(261)	1,500	500	–
Vote 2 - CORPORATE SERVICES				28	300		2,096						2,260	4,683	680	55
Vote 3 - FINANCIAL SERVICES		5	11		5	90	4						150	266	–	–
Vote 4 - CIVIL SERVICES			440	93	2,115	2,420	662	1,830	2,257	3,110	2,560	1,640	15,009	32,136	19,386	25,882
Vote 5 - COMMUNITY SERVICES				262	720	1,720	780	800	381	360	430	1,440	6,001	12,894	6,342	862
Vote 6 - ELECTRICITY SERVICES				1,000	500	500	–	500	1,260	1,400	570	870	160	6,760	2,000	3,400
Vote 7 - DEVELOPMENT PLANNING & HOUSING													90	90	200	–
Capital single-year expenditure sub-total	2	58	503	1,435	5,192	4,782	3,542	3,130	3,898	4,870	3,560	3,950	23,409	58,329	29,108	30,199
Total Capital Expenditure	2	223	678	2,365	7,540	8,247	5,464	8,288	11,768	12,478	10,461	10,986	43,003	121,500	103,575	112,501

BUDGETED MONTHLY CAPITAL EXPENDITURE (STANDARD CLASSIFICATION)

Description	Ref	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital Expenditure - Standard	1															
Governance and administration		57	63	88	1,857	182	2,215	–	–	5	–	–	2,849	7,317	1,532	570
Executive and council		52	52	52	1,552	52	–	–	–	–	–	–	–	1,760	500	–
Budget and treasury office		5	11	–	5	95	19	–	–	5	–	–	849	990	205	500
Corporate services		–	–	36	300	35	2,196	–	–	–	–	–	2,000	4,567	827	70
Community and public safety		–	–	287	1,085	1,770	185	800	401	1,010	430	1,460	31,299	38,727	20,286	15,879
Community and social services		–	–	–	30	–	25	–	31	160	200	–	6,004	6,450	81	2
Sport and recreation		–	–	227	310	1,675	140	300	350	850	230	320	2,830	7,232	6,405	2,807
Public safety		–	–	60	745	95	20	500	20	–	–	1,140	–	2,580	1,800	1,070
Housing		–	–	–	–	–	–	–	–	–	–	–	22,465	22,465	12,000	12,000
Health		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Economic and environmental services		5	445	755	940	1,690	1,442	3,585	3,952	3,855	3,250	2,000	2,120	24,039	16,447	17,947
Planning and development		–	–	–	–	–	–	–	–	–	–	–	120	120	220	20
Road transport		5	445	755	940	1,690	1,442	3,585	3,952	3,855	3,250	2,000	2,000	23,919	16,227	17,927
Environmental protection		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Trading services		160	170	2,073	3,658	4,615	1,600	3,903	7,415	7,608	6,781	7,526	5,888	51,395	65,301	78,095
Electricity		100	100	1,150	1,250	2,350	100	1,550	3,505	3,445	2,680	3,175	1,580	20,985	20,925	24,825
Water		50	50	543	930	1,038	60	145	790	1,273	1,430	1,298	980	8,585	24,276	30,655
Waste water management		10	10	370	1,398	1,198	690	2,198	1,510	2,781	2,671	3,053	3,328	19,215	19,780	20,165
Waste management		–	10	10	80	30	750	10	1,610	110	–	–	–	2,610	320	2,450
Other													22	22	10	10
Total Capital Expenditure - Standard	2	222	678	3,202	7,540	8,257	5,442	8,288	11,768	12,478	10,461	10,986	42,178	121,500	103,575	112,501

BUDGETED MONTHLY CASH FLOWS

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework			
	R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Receipts By Source														1		
Property rates	16,227	11,344	10,891	7,093	2,731	5,123	4,973	4,775	4,521	4,376	3,359	3,320	78,734	86,295	95,418	
Property rates - penalties & collection charges	156	150	162	191	177	186	143	188	165	176	172	133	2,000	2,100	2,247	
Service charges - electricity revenue	20,411	21,488	20,708	20,504	19,244	22,747	21,662	19,817	21,166	20,926	21,822	20,136	250,632	276,988	308,220	
Service charges - water revenue	5,332	6,264	4,950	5,663	5,301	7,176	2,967	7,998	6,915	6,659	6,870	1,415	67,510	75,261	82,479	
Service charges - sanitation revenue	4,852	4,964	3,656	4,061	1,472	2,859	724	2,652	2,503	2,557	1,767	1,606	33,672	31,978	31,614	
Service charges - refuse revenue	2,186	2,198	2,211	2,221	2,256	2,253	2,257	2,400	2,416	2,425	2,864	1,327	27,014	31,823	35,710	
Service charges - other	12,353	983	2,591	547	5,676	1,262	1,058	593	2,161	113	509	963	28,807	30,843	32,652	
Rental of facilities and equipment	266	887	584	281	308	315	403	389	363	334	267	230	4,629	5,160	5,790	
Interest earned - external investments	2,458	118	142	1,746	1,215	676	601	1,295	724	1,546	1,105	2,479	14,104	14,371	13,607	
Interest earned - outstanding debtors	27	27	26	26	26	24	24	22	22	23	22	22	291	309	296	
Dividends received												-				
Fines	354	7	1,043	345	342	807	435	552	814	578	597	187	6,061	7,267	8,713	
Licences and permits	355	417	397	277	511	363	370	482	418	301	346	604	4,841	5,309	5,939	
Agency services												-				
Transfer receipts - operational	122	31	5,467	1,264	108	10,835	11,851	1,936	945	954	7,518	26,962	67,992	54,064	59,481	
Other revenue	348	362	1,096	513	389	1,056	271	373	1,142	410	404	4,810	11,175	13,481	15,918	
Cash Receipts by Source	65,448	49,240	53,925	44,733	39,754	55,681	47,740	43,471	44,276	41,378	47,622	64,194	597,462	635,249	698,084	
Other Cash Flows by Source																
Transfer receipts - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Contributions recognised - capital & Contributed a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds on disposal of PPE					17,500							17,500	35,000	2,500	2,000	
Short term loans												-				
Borrowing long term/refinancing	(33)	(35)	(34)	(33)	(31)	(37)	(35)	(32)	(34)	(34)	(36)	(125)	(500)	(550)	(600)	
Increase (decrease) in consumer deposits	54	63	50	57	54	73	30	81	70	67	69	(319)	350	375	400	
Decrease (Increase) in non-current debtors												-				
Decrease (increase) other non-current receivable	116	116	117	117	119	119	119	127	128	128	151	(858)	500	550	375	
Decrease (increase) in non-current investments												-				
Total Cash Receipts by Source	65,585	49,384	54,058	44,875	57,396	55,836	47,854	43,647	44,439	41,539	47,807	80,393	632,812	638,124	700,259	

BUDGETED MONTHLY CASH FLOWS (Continued)

MONTHLY CASH FLOWS R thousand	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Payments by Type															
Employee related costs	12,622	12,627	12,839	14,117	13,410	17,444	14,709	14,295	14,245	14,576	15,634	21,475	177,993	190,706	205,378
Remuneration of councillors	508	769	593	592	591	643	854	806	894	669	673	837	8,428	8,934	9,381
Finance charges	–	–	25	–	0	27	20	260	–	–	32	2,586	2,949	2,728	2,576
Bulk purchases - Electricity	4,831	23,049	22,577	12,452	13,042	12,418	14,559	13,583	12,149	13,157	12,946	27,334	182,096	209,411	240,822
Bulk purchases - Water & Sewer	–	–	1,841	288	555	–	1,994	388	1,162	1,430	2,269	2,674	12,600	13,860	15,000
Other materials	888	1,055	653	816	882	1,118	1,102	1,033	891	845	973	412	10,668	11,201	12,276
Contracted services	1,284	2,240	1,889	2,612	2,292	3,250	4,308	3,032	2,670	1,771	2,582	3,002	30,931	32,772	35,362
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	82	63	55	71	56	71	65	44	43	89	157	160	955	1,015	1,095
Other expenditure	4,987	5,831	9,444	14,258	8,529	15,832	12,019	14,526	10,022	14,599	11,305	49,474	170,825	164,585	176,160
Cash Payments by Type	25,201	45,633	49,915	45,206	39,357	50,802	49,630	47,966	42,075	47,134	46,571	107,955	597,447	635,213	698,050
Other Cash Flows/Payments by Type															
Capital assets	222	678	3,202	7,540	8,257	5,442	8,288	11,768	12,478	10,461	10,986	42,178	121,500	103,575	112,501
Repayment of borrowing	250	250	250	250	250	250	250	250	250	250	250	50	2,800	2,750	2,700
Other Cash Flows/Payments	(1,881)	(9,806)	(24,404)	(28,122)	(9,346)	(7,945)	(10,191)	(7,455)	(6,628)	(3,489)	(2,543)	(12,918)	(124,729)	(102,772)	(102,824)
Total Cash Payments by Type	23,792	36,755	28,963	24,874	38,518	48,549	47,978	52,529	48,175	54,356	55,263	137,265	597,018	638,766	710,427
NET INCREASE/(DECREASE) IN CASH HELD	41,793	12,629	25,095	20,001	18,877	7,287	(124)	(8,882)	(3,736)	(12,817)	(7,456)	(56,873)	35,795	(643)	(10,168)
Cash/cash equivalents at the month/year begin:	173,244	215,037	227,666	252,761	272,762	291,639	298,926	298,802	289,920	286,184	273,367	265,911	173,244	209,039	208,396
Cash/cash equivalents at the month/year end:	215,037	227,666	252,761	272,762	291,639	298,926	298,802	289,920	286,184	273,367	265,911	209,039	209,039	208,396	198,228

7.10. Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2011/12	2012/13 Medium Term Revenue & Expenditure Framework			Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
RO Water Reclamation to PetroSA		-	-	-	-	-	-	-	-	-	-	-	-	-
Bank Contract		-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid System		9,112	5,250	5,775	6,353	-	-	-	-	-	-	-	-	-
Desalination Plant		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue Implication		9,112	5,250	5,775	6,353	-	-	-	-	-	-	-	-	26,491
Expenditure Obligation By Contract	2													
RO Water Reclamation to PetroSA		4,165	4,076	4,320	4,579	4,854	5,146	5,454	5,781	6,128	6,496	6,626	6,427	64,054
Bank Contract		6,797	2,123	-	-	-	-	-	-	-	-	-	-	8,920
Prepaid System		-	-	-	-	-	-	-	-	-	-	-	-	-
Desalination Plant		3,706	7,136	6,533	5,900	6,195	6,504	6,830	7,171	7,530	7,906	8,301	7,803	81,514
Total Operating Expenditure Implication		14,669	13,334	10,853	10,479	11,049	11,650	12,284	12,953	13,658	14,402	14,927	14,231	154,488
Capital Expenditure Obligation By Contract	2													
RO Water Reclamation to PetroSA		44,219	328	347	368	390	414	438	465	493	522	548	521	49,053
Bank Contract		-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid System		-	-	-	-	-	-	-	-	-	-	-	-	-
Desalination Plant		100,000	-	-	-	-	-	-	-	-	-	-	-	100,000
Total Capital Expenditure Implication		144,219	328	347	368	390	414	438	465	493	522	548	521	149,053
Total Parent Expenditure Implication		158,888	13,662	11,200	10,847	11,439	12,063	12,722	13,417	14,151	14,924	15,476	14,751	303,542

7.11. Annual budgets and service delivery agreements – other external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand
Call Centre - Eden Distric Mun CAPMAN Business Engineering/Eden Distric Council Ignite Advisory Services	12m 1m	To be signed C439086(P/O) C704220 C246484(Item)	Radio Comm Network Leave e system Collaborator CPM		0
OTHER:					
Comwezi Security Services Ltd	36m	C378372	Security Services	30-06-2012	0
Fleet Africa (pty) Ltd	36m	C435870	Fleet Management	31-07-2012	
Nashua			Rental Various Photocopiers, fax machines, Service Agreement & Copies	Various	Various
Minolta			Rental Various Photocopiers, fax machines, Service Agreement & Copies	Various	Various
Rentokil			Various Hygine Services, Various buildings	Various	Various
Wispernet	10m	C771330	Radio Network Maintenance(R10 000.00 + VAT / m)	30/06/2012	0
SPCA	36	C429945	Providing pounding services	30/06/2012	0
Mossel Bay Tourism	36	C435875	Providing Tourism function	30/06/2012	2
Debtmanager (Pty) Ltd	36	737759	Debt Recovery (R175 115.00 /m)	30/06/2014	2
Cab Holdings	36	C738363	Printing & Distribution of Monthly Service Acc (min R15 000.00 / m)	30/06/2014	0
Combo Sign Pty Ltd	48	C410252	Outdoor Media - Street Refuse Containers	31/12/2013	1
CCM Transport	12		Removal garden & Domestic Refuse Friemersheim & GBR		
CCM Transport	12		Removal garden & Domestic Refuse Buysplaas & MB		
CCM Transport	12		Removal garden & Domestic Refuse Kwa, Kleinberg, Bartelsftn, Brandwag, p/o Asla		
CCM Transport	72		PetroSA - Refuse dump site		
A J Boshoff	12		Removal garden & Domestic Refuse Island & GBR		
ACE Waste Removal	72		PetroSA - Refuse dump site		
Nedbank	10	C433615	Bank - Overdraft facility	30/09/2010	10
Independent Entrepreneurs Ass	36	C764113	Entrepreneurs - Good Shed	31-12-2014	0
Suid-Kaap Stereo	12	C701703	Radio - Air Time	30-06-2012	0
Actaris SA (Pty) Ltd	30	C444576	Various Pay points	30-06-2012	
Eden FM	12	C714330	Radio - Air Time	31-07-2012	0
Transnet	36	C763693	Hire Good Shed for Entrepreneur	31-12-2014	0
Meyer Otto Consulting Serv	36	C758574	Internal Auditors	3006-2014	
Pay At Services		C656523	Third party: payments	03-01-2013	

7.12. Annual budgets and service delivery and budget implementation plans –internal departments

In terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), the mayor must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan (SDBIP) is approved by the Mayor within 28 days after the approval of the budget.

The Mayor must also ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter, as set out in the SDBIP, are made public no later than 14 days after the approval of the SDBIP. Mossel Bay Municipality's SDBIP for the 2012/13 financial year will therefore be approved by the Mayor 28 days after the approval of the 2012/13 Annual Budget.

A brief executive summary of the each department is given below:

Municipal Manager:

Description of services provided:

The Municipal Manager is responsible for promoting good governance; ensuring effective and efficient basic service delivery; ensuring effective and efficient institutional development and transformation; ensuring effective and efficient financial viability and management; promoting participative management; strategic planning; promoting Council's objectives by ensuring tasks are implemented.

Description of Senior management capability and structure:

Dr M R Gratz – MBBCH D.A. BCom BCom (Hons)

15 Years municipal experience, 9 years as Senior Manager.

The staff compliment of the Directorate is as follows:

- 1 Personal assistant to Municipal Manager
- 1 Personal assistant to Executive Mayor
- 1 Executive Official: Strategic Services
- 1 Official: Full time Councillor support

Alignment of performance objectives to IDP:

100 % align with the SDBIP.

Changes to service levels and standards:

No significant changes to report.

Corporate Services:

Description of services provided:

The Directorate is responsible for support services which include the Secretariat, Typing Services, Archives, Switchboard and Cleaning, Legal Services, Human Resources, Change Management (Integrated Development Plan, Employment Equity and Performance Management System) and Socio-Economic Development (Local Economic Development, Youth Development, Ward Committees and Tourism).

Description of Senior management capability and structure:

E W Jantjies — B. Econ (HDE)

17 Years municipal experience, 4 ½ years as Senior Manager

The sections under this directorate are as follows:

- * SED
- * Support services
- * Legal services
- * Human Resources
- * Change Management

Alignment of performance objectives to IDP:

100 % align with the SDBIP.

Changes to service levels and standards:

No significant changes to report.

Past year's performance:

Please refer to the SDBIP and Annual Report.

Departmental Capital programme:

Corporate services only 4 % of total Capital budget.

Financial Services:

Description of services provided:

Effective financial management of the Department. Deliver Financial Management and advisory services to all Departments. Reduce risk, ensure efficient and effective use of financial resources and ensure clean audit reports and sustainability within the Department.

Description of Senior management capability and structure:

The staff compliment of the Directorate is as follows:

- Chief Financial Officer
- 1 x Secretary
- 5 x Section Heads
- 3 x Senior Accountants
- 8 x Accountants
- 1 x Valuer
- 3 x Administrative Officers
- 3 x Data Capturers
- 2 x I.T. Technicians
- 47 x Clerks

Alignment of performance objectives to IDP:

100 % align with the SDBIP.

Changes to service levels and standards:

No changes were encountered to service levels and standards over the period covered in the MTREF.

Past year's performance:

All performance targets were met.

Risks to achieving revenue projections:

No major risks expected.

Technical Services:

Description of services provided:

The Technical Services Directorate is responsible for the provision and maintenance of the following infrastructure and services:

Electricity and Street Lighting:

Electricity is supplied to approximately 30 000 industrial, commercial and domestic customers at voltages ranging between 230V and 66000V. Approximately 10 000 streetlights and floodlights are maintained by the department. Electricity is supplied in accordance with NRS 047 and 048 Standards and the Electricity Regulation Act.

Water and Sanitation:

Water is supplied to approximately 33 000 customers and sanitation is supplied to 28 000 customers in accordance with the Water Services Act.

Streets and Stormwater:

Approximately 421 km of road infrastructure is maintained to various rural and urban areas.

Mechanical Services:

This department is responsible for fleet management and the maintenance of water and sewerage pump stations.

Description of Senior management capability and structure:

The Directorate is managed by a Director and five Heads of Departments. The Directorate has a total staff complement of 300 employees who serve the communities from various offices/depots in Mossel Bay, Hartenbos and Great Brak.

Changes to service levels and standards:

Services have been maintained at acceptable levels in accordance with the various legislative requirements.

Past year's Performance

The Directorate has handled a total of 126 capital projects of which 122 projects were fully completed. The slow progress on some projects was attributed mainly to delays in environmental approvals, delays with the transfer of grant funding and lengthy delivery periods on some electrical equipment.

The Directorate was able to undertake various maintenance and refurbishment tasks on electrical, mechanical and civil engineering infrastructure in accordance with preventative maintenance plans.

Alignment with the IDP

All performance objectives are linked to the IDP

A summary of revenue by source and operating and capital expenditure

Refer to the budget.

Risks to achieving revenue projections

The high cost of electricity and energy conservation measures could result in lower consumption and income from sales.

Description of major features of expenditure

Provision has been made on the operating budget for the operation and maintenance of the desalination and the reclamation plants.

The departmental capital programme

The directorate is responsible for approximately 60% of the overall capital budget.

Community Services:

Description of services provided:

The Community Services Directorate is responsible for the following services:

Traffic and Public Safety:

The department looks after traffic signs and road markings. They are also responsible for Law Enforcement, Driver's License and Traffic Control.

Fire and Rescue services:

This department's responsibility is amongst others Fire fighting & Prevention, Disaster Management and other emergency services.

Parks and Recreation:

The responsibility of Environment, Beaches and Sport is vested in this department.

Waste Management:

This department looks after Waste Management in all its forms as well as Air Noise Pollution.

Library services:

This department looks after 15 libraries which are situated in the municipal area including the rural areas.

Alignment of performance objectives to IDP:

The Directorate's performance objectives are derived from the IDP and filters down to the SDBIP. The five National Key Performance Areas are included in the IDP.

Past year's performance:

The directorate performed well and almost 90% of all targets were met.

Departmental Capital programme:

The Directorate is responsible for 16% of the municipality's capital programme. On average an expenditure rate of more than 90% is achieved and maintained.

Development and Planning:

Description of services provided:

The Directorate is currently responsible for planning (strategic planning and development control), building control (building plan examining, building inspectorate, maintenance of municipal buildings and outdoor advertising), human settlements (housing), environmental management, leasing and alienation of municipal properties and law enforcement pertaining to the Directorate.

Description of Senior management capability and structure:

The staff compliment of the Directorate is as follows:

- Director
- 3 x Heads of Sub-Directorates: Planning, Building Control and Human Settlements and Head of Legal Section
- 3 x Town Planning officials
- 3 x Section Heads: Plan Examining, Building Inspectorate and Human Settlements
- 1 x Environmentalist

- 6 x Building Inspectors
- 2 x Plan Examiners
- 2 x Building Technicians
- 12 x Administrative staff

Alignment of performance objectives to IDP:

Chapter 6.2 Of The Idp Kpa 2: Land & Integrated Human Settlements: Land & Integrated Human Settlements Strategy, Budget Alignment Number Lh.3.2.1

DEVELOPMENT OBJECTIVE

- The Municipality acts as an Agent for National and Provincial Government to provide affordable and quality housing to all the residents of Mossel Bay;
- To facilitate the required processes to ensure that all people have access to decent and affordable housing;
- To identify available land suitable for development to local people and investors from outside the Municipal area of jurisdiction;
- To ensure that the Mossel Bay SDF is properly adhered to when development applications are approved;
- 90% spending of DORA allocations earmarked for Human Settlements;
- To identify available land provided for a new cemetery;
- To promote the development of retirement villages.

CHALLENGES

- Insufficient funding from National and Provincial Government for all housing needs;
- Insufficient land available for Integrated Human Settlements

DEVELOPMENT ACTIVITIES

- Involve Ward Committees to obtain data on the number of people without proper housing especially backyard dwellers;
- Review availability of suitable land to provide for business, commercial and industrial development.

STRATEGIES/PERFORMANCE INDICATORS

- An Integrated Human Settlements Plan & Strategy be approved
- Densification as a possible housing strategy must be considered due to the lack of suitable land;
- Suitable land is to be identified;
- Cognisance must be taken that the Home Owners Education programme is proceeding well

Changes to service levels and standards:

No changes were encountered to service levels and standards over the MTREF period.

Past year's performance:

All performance targets were met.

Risks to achieving revenue projections:

No major risks or shifts in revenue patterns are expected.

Major features of expenditure & Departmental Capital programme:

Major features of expenditure (non-discretionary) are DORA-allocations for Human Settlement:

- 2011/2012 – R41 671 891
- 2012/2013 – R40 717 024
- 2013/2014 – R21 838 000

7.13. Measurable performance objectives and indicators

FINANCIAL INDICATORS

The following schedule shows various performance indicators and benchmarks:

Description of financial indicator	Basis of calculation	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Borrowing Management</u>										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.2%	0.2%	0.1%	0.1%	-0.2%	-0.2%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.2%	0.2%	0.1%	0.1%	-0.2%	-0.2%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.2%	-1.5%	-0.8%	-0.5%	-0.5%	-0.5%	-0.7%	-0.7%	-0.7%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds & Reserves	2.7%	2.5%	3.2%	304.6%	304.6%	304.6%	670.4%	-389.3%	-144.8%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	3.4	2.3	1.6	3.3	3.2	3.2	2.6	2.6	2.9
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.4	2.3	1.6	3.3	3.2	3.2	2.6	2.6	2.9
Liquidity Ratio	Monetary Assets/Current Liabilities	2.5	1.5	1.2	2.3	2.3	2.3	1.9	1.9	2.1
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		94.2%	92.5%	112.0%	106.9%	107.0%	94.9%	96.9%	94.8%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			93.9%	92.4%	112.0%	106.8%	106.9%	94.8%	96.8%	94.8%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13.2%	14.3%	12.3%	11.2%	11.0%	11.0%	9.0%	7.9%	6.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	6.3%	5.2%	7.1%	4.6%	4.6%	4.6%	4.8%	4.0%	5.0%
<u>Creditors Management</u>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		26.3%	42.5%	63.7%	29.1%	29.7%	29.7%	35.9%	31.2%	31.3%
<u>Other Indicators</u>										
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	5.0%	7.5%	6.1%	8.5%	8.0%	8.0%	8.0%	7.5%	7.5%
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source	14.9%	21.6%	15.8%	20.0%	15.0%	15.0%	12.0%	10.0%	8.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.4%	26.9%	29.5%	28.6%	27.5%	27.5%	28.4%	28.6%	28.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	28.3%	25.1%	30.8%	27.6%	26.7%	26.7%	27.5%	27.7%	27.1%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	8.6%	5.9%	6.0%	7.0%	7.4%	7.4%	6.8%	6.4%	6.3%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	5.5%	4.7%	6.1%	6.5%	6.2%	6.2%	7.6%	7.7%	7.3%
<u>IDP regulation financial viability indicators</u>										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	20.7	42.9	37.0	43.8	43.8	43.8	51.5	60.1	66.2
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	16.5%	21.0%	14.6%	13.8%	14.0%	14.0%	10.5%	9.0%	7.7%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	7.1	4.4	4.9	4.5	4.3	4.3	4.4	4.1	3.5

PROVIDING CLEAN WATER AND MANAGING WASTE WATER



- * Name of the Water Service Authority in the area and name of the Water Service Provider, and who actually manages the provision of drinking water and waste water management (if outsourced).

Mossel Bay Municipality is the Water Service Authority as well as the Water Service Provider.

- * The Blue Drop and Green Drop performance ratings (as determined by the Department of Water Affairs) applicable to all water and waste water services within the municipality, highlighting areas that require attention.

The final Blue Drop and Green Drop evaluations by the DWA took place during March 2011. Mossel Bay was much more successful than in the previous evaluation rounds and has received 2 Green Drop and 2 Blue Drop awards. Nationally, Mossel Bay came 8th in terms of the Green Drop evaluations.

Mossel Bay Municipality has embarked on the following programmes to improve the overall management and operation of the Purification and Waste Water Treatment plants:

- Most process controllers have been trained and have received the necessary classification certification, although this is a continuous challenge
- The licences and registrations for Waste Water Plants are in the process of being reviewed, awaiting feedback from DWA National.
- The in-house laboratory service staff must still be expanded to be in accordance with the recognised proficiency testing schemes required for the Blue/Green drop evaluations.

- * The current status of the municipality's Water Safety Plan and measures to be taken in 2011/12 and over the MTREF to implement it.

The Water Safety Plan has been revised and fine tuned in accordance with Water Affairs requirements in order to obtain the maximum Blue Drop scores. There are no major outstanding issues that need to be addressed.

- * A brief outline of problems that the municipality is experiencing with regards to the management of drinking water and sewerage.

The municipality is still awaiting the revised effluent water permits from DWA for all Mossel Bay Effluent treatment works.

The recent drought has forced the municipality into a new way of thinking regarding the reduction of unaccounted for losses of water, which was started very successfully. The municipality has started a meter replacement program minimising losses through old under-reading meters, continuous bulk water distribution metering and improved water quality to reduce wasteful rinsing of pipe networks. As the zone metering system is developed, the focus can be specifically directed at any areas with higher losses. The aim of this effort is to reduce these costly losses far below the 10% generally accepted for municipalities.

The new desalination plant built with the financial assistance of PetroSA was practically completed ensuring the availability of 10 Mega litre of drinking water, reducing our risk dependency on dam water.

Should the need arise, the PetroSA component of 5 Mega liter per day could also be directed into the municipal supply system. This plant will be placed in Zero mode, allowing a new quota border, permitting town growth.

Outflow from the Hartenbos sewerage plant was mostly taken up by the reclamation plant built to extend the Mossel Bay water availability. The limited outflow could not always comply with the especially high normal standards for the Hartenbos River. Since the plant has been placed into zero production mode, the outflow quality has improved. Due to more stringent limits, the feeding dams to these works will have to be cleaned in future.

The small Friemersheim sewerage treatment plant has been rerouted to the large plant that was previously upgraded to improve outflow standards and only this plant must be upgraded to accommodate inflow from the new housing projects.

The treated effluent water from the Ruiterbos treatment works was routed to irrigate the community sport fields in Ruiterbos, thereby reducing any enrichment and risks of inflowing water to the Mossel Bay raw water supply system.

Groundwater monitoring is required adjacent to all effluent treatment works to measure any possible pollution of ground water.

The raw water supply system via Amy Searl furrow has been abandoned due to risk of health to the water supply to Great Brak.

The Boggomsbaai township must be supplied with a conventional sewer system.

* An outline of the steps the municipality needs to take to address the problems noted.

The municipality must keep pressure on DWA to finalise effluent water permits.

The municipality has to continue with

- the meter replacement program,
- expand continuous bulk water distribution metering,
- improvement of water quality to reduce wasteful rinsing of pipe networks.

Cleaning of the Hartenbos sewerage plant evaporation pond system.

The main Friemersheim sewerage treatment plant has to be enlarged with 150kl/day capacity to accommodate inflow from the new housing projects.

Upgrading of the large Friemersheim effluent treatment plant will be required soon.

The legal processes towards the abandoning of the raw water supply system via Amy Searl furrow has to be finalised

Ground water measuring systems must be installed around effluent water treatment works.

The expansion of sewer systems to provide residents towards Great Brak must be kept in mind.

- * The 2012/13 budget and MTREF allocations proposed/made to fund the above measures.

Substantial amounts of money was earmarked towards roads and storm water services, away from water and sewer projects.

The municipality has to continue with

- the meter replacement program,
- expand continuous bulk water distribution metering,
- improvement of water quality to reduce wasteful rinsing of pipe networks.

Cleaning of the Hartenbos sewerage plant evaporation pond system has to be accommodated above the other cleaning of the dams allowed for.

The main Friemersheim sewerage treatment plant has to be enlarged with 150kl/day capacity to accommodate inflow from the new housing projects.

The largest outstanding project is the link line from the desalination plant / Langeberg reservoir to the main water reservoirs in Heiderand from where the largest part of the town and densifications are fed.

The expansion of sewer systems to provide residents towards Great Brak must be kept in mind.



MEASURABLE PERFORMANCE OBJECTIVES

Mossel Bay Municipality uses the Scorecard Model of performance management, which is aimed to measure the performance of the municipality in accordance with the set objectives and key performance areas. The scorecard is reviewed on an annual basis and is populated on a high level objective point of view. These high level objectives are then cascaded into each department's individual Service Delivery and Budget Implementation Plan.

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Council	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Effective functioning of council measured in terms of the number of council meetings per annum	No of council meetings per annum	All	All	Speaker	10	Minutes of Council meetings held	Number	10	3	2	2	3

Council	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Effective functioning of the committee system measured by the number of committee meetings per committee per annum	No of sec 79 committee meetings per committee per annum	All	All	Executive Mayor	11	Minutes of Committee meetings held	Number	11		3	2	3	3
Council	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Effective functioning of ward committees to ensure consistent and regular communication with residents measured to number of ward committee meetings per annum	No of ward committee meetings per annum	All	All	Speaker	6	Minutes of ward committee meetings held	Number	72		24	12	12	24

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Municipal Manager	Corporate services	A development-orientated public service and inclusive citizenship	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Transformation and Institutional Development	Preparing and agreeing of the Section 57 performance agreements by the end of July	No of performance agreements signed	All	All	Municipal Manager	7	Signed performance agreements	Number	7	7			
Municipal Manager	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Financial Viability and Management	Risk based audit plan approved by 2013	Plan approved	All	All	Municipal Manager	1	Minutes of Audit Committee meeting during which RBAP was approved	Number	1				1
Municipal Manager	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Functional performance audit committee measured by means of meetings where committee dealt with performance reports	# of meetings	All	All	Municipal Manager	2	Minutes of meetings	Number	2		1		1

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Municipal Manager	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Municipality complying with legislation measured in terms of the compliance register developed and implemented	% of compliance register developed and implemented	All	All	Municipal Manager	New	Register	Percentage	100	30	40	80	100
Financial Services	Budget and treasury office	A responsive and, accountable, effective and efficient local government system	Municipal Financial Viability and Management	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Financial Viability and Management	Compliance with GRAP 16, 17 & 102 to ensure effective asset management	0 findings in the audit report on non-compliance	All	All	Director: Financial Services	New	Report of the Auditor General	Number	0	0	0	0	0
Financial Services	Budget and treasury office	A responsive and, accountable, effective and efficient local government system	Municipal Financial Viability and Management	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Financial Viability and Management	No of Root causes of issues raised by AG in AG report of the previous financial year addressed to promote a clean audit	No of Root causes addressed	All	All	Director: Financial Services	100	Report of the Auditor General	Percentage	100			60	100

MOSSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Financial Services	Budget and treasury office	A responsive and, accountable, effective and efficient local government system	Municipal Financial Viability and Management	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Financial Viability and Management	Financial statements submitted by 31 August	Financial statements submitted to A-G	All	All	Director: Financial Services	1	Approved annual Financial Statements	Number	1	1			
Corporate Services	Budget and treasury office	A skilled and capable workforce to support inclusive growth	Municipal Transformation and Institutional Development	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Transformation and Institutional Development	Targeted skills development measured by implementing 100% of the workplace skills plan by June 2013	% of the WSP implemented by 30 Jun 2013	All	All	Director: Corporate Services	100%	Annual Financial Statements	Percentage	100				100
Corporate Services	Corporate services	A responsive and, accountable, effective and efficient local government system	Municipal Transformation and Institutional Development	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Transformation and Institutional Development	Preparation and submission of equity report for the municipality by 30 Sept	No of reports submitted	All	All	Director: Corporate Services	1	Minutes of Council meetings adopting the report	Number	1	1			

MOSSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Corporate Services	Planning and development	Decent employment through inclusive economic growth	Local Economic Development	To create an enabling environment for economic growth in the tourism industry and uplifting our communities	Economic Development and Tourism	Reviewed and aligned LED submitted with implementation plan that includes clear outcomes, milestones and timeframes	# of LED strategy and implementation plan.	All	All	Director: Corporate Services	New	Minutes of Council meetings during which revised LED Strategy and implementation plan was approved	Number	1				1
Corporate Services	Planning and development	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Transformation and Institutional Development	Prepare the IDP to be comprehensive and comply with the requirements of the Systems Act and submitted by March 2013	No of required sectoral plans included in the IDP	All	All	Director: Corporate Services	4	Approved IDP	Number	4			4	
Corporate Services	Corporate services	A development-orientated public service and inclusive citizenship	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Annual report and oversight report of council submitted before the end of January	Report submitted to Council	All	All	Director: Corporate Services	1	Minutes of Council meeting during which Annual Report was approved	Number	1			1	

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Corporate Services	Planning and development	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Transformation and Institutional Development	Prepare the IDP to be comprehensive and comply with the requirements of the Systems Act and submitted by March 2013	No of required sectoral plans included in the IDP	All	All	Director: Corporate Services	4	Approved IDP	Number	4			4	
Community Services	Public safety	All people in South Africa protected and feel safe	Basic Service Delivery	To create a healthy, safe and secure environment for the people of Mossel Bay	Community Safety and Security	Maintain a functional disaster management forum measured by quarterly meetings attended by all stakeholders	# meetings	All	All	Director: Community Services	New	Minutes of meetings	Number	4	1	1	1	1
Community Services	Community and social services	Protection and enhancement of environmental assets and natural resources	Basic Service Delivery	To create a healthy, safe and secure environment for the people of Mossel Bay	Sport, Recreation and Culture	Recreational areas including sports fields are maintained measured by the % of the maintenance budget spent	% of budget spent	All	All	Director: Community Services	90	Annual Financial Statements	Percentage	90	20	40	60	90

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Community Services	Waste management	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To create an environment for offering basic services to all the communities in the Mossel Bay municipal area	Development of New Services and Infrastructure	Effective maintenance of refuse removal assets to approved budget	% of budget spent to approved maintenance projects.	All	All	Director: Community Services	50	Main and Adjustments Budgets and approved project plans	Percentage	90	20	40	60	90
Technical Services	Road transport	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To provide a public transport and services road infrastructure to the community of Mossel Bay and its tourists	Development of New Services and Infrastructure	Implementation of maintenance plan for roads as percentage of approved budget spent.	% of maintenance budget of municipal roads spent	All	All	Director: Technical Services	100	Annual Financial Statements	Percentage	90	20	40	60	90
Technical Services	Waste water management	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To create an environment for offering basic services to all the communities in the Mossel Bay municipal area	Development of New Services and Infrastructure	Effective maintenance of stormwater assets through implementation of maintenance plan	Implementation of maintenance plan as per approved budget	All	All	Director: Technical Services	90	Main and Adjustments Budgets and approved project plans	Percentage	90	10	30	60	90

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Technical Services	Electricity	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To create an environment for offering basic services to all the communities in the Mossel Bay municipal area	Development of New Services and Infrastructure	Effective maintenance of electricity assets through the implementation of maintenance plan measured by preventative maintenance tasks	# of preventative maintenance tasks	All	All	Director: Technical Services	New	Main and Adjustments Budgets and approved project plans	Number	2000	500	500	500	500
Technical Services	Water	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To create an environment for offering basic services to all the communities in the Mossel Bay municipal area	Development of New Services and Infrastructure	Effective management of water provisioning systems to minimise water losses by implementing measures to reduce water losses	% calculated as KL billed / KL used on monthly basis	All	All	Director: Technical Services	21	Sec 71 reports	Percentage	15	15	15	15	15
Technical Services	Water	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To create an environment for offering basic services to all the communities in the Mossel Bay municipal area	Development of New Services and Infrastructure	Effective maintenance of water assets through the implementation of a number of preventative maintenance tasks as per the water maintenance plan	No of preventative maintenance tasks	All	All	Director: Technical Services	New	Sec 71 reports	Number	240	60	60	60	60

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Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Development & Planning	Planning and development	A responsive and, accountable, effective and efficient local government system	Municipal Transformation and Institutional Development	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Land and Integrated Human Settlements	Alignment of IDP and sectoral plans with the SDF by June 2013	# of alignment certificate signed-off	All	All	Director: Development & Planning	New	Alignment certificate signed	Number	1				1
Development & Planning	Housing	Sustainable human settlements and improved quality of household life	Basic Service Delivery	To facilitate access to affordable and quality housing to all the residents of Mossel Bay	Land and Integrated Human Settlements	Formalise the existing informal settlements in line with National & Provincial policies measured to % of DORA allocation spent	% of DORA allocation spent	All	All	Director: Development & Planning	100	Financial Statements	Percentage	95	10	40	60	95

7.14. *Legislative compliance status*

Compliance with the MFMA requirements has been substantially adhered to through the following activities:

- *Budget and Treasury Office:* This office has been established in accordance with the MFMA.
- *Budgeting:* The annual budget is prepared in accordance with the MFMA and National Treasury regulations and requirements.
- *Financial reporting:* 100% compliance with regards to monthly, quarterly and annual reporting to the Executive Mayor, Mayoral Committee, Council, Provincial Government and National Treasury.
- *Annual Financial Statements:* The financial statements are prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) prescribed by the Minister of Finance.
- *Annual report:* The annual report is prepared in accordance with the MFMA and National Treasury requirements.

